

UNITED STATES DISTRICT COURT

DISTRICT OF PUERTO RICO

In Re:) Docket No. 3:17-BK-3283 (LTS)
)
) PROMESA Title III
The Financial Oversight and)
Management Board for)
Puerto Rico,) (Jointly Administered)
)
as representative of)
)
The Commonwealth of)
Puerto Rico, *et al.*) April 29, 2021
)
Debtors,)

In Re:) Docket No. 3:17-BK-4780 (LTS)
)
) PROMESA Title III
The Financial Oversight and)
Management Board for)
Puerto Rico,) (Jointly Administered)
)
as representative of)
)
The Puerto Rico Electric)
Power Authority,)
)
Debtors,)

1
2
3 Autoridad de Energia) Docket No. 3:19-AP-00453 (LTS)
4 Electrica de Puerto Rico,)
5) *in 3:17-BK-3283 (LTS)*
6)
7 Plaintiff,)
8)
9 v.)
10)
11 Vitol Inc. and)
12 Vitol S.A., et al.,)
13)
14)
15)
16 Defendants.)
17

18
19
20
21
22
23
24
25
The Financial Oversight and) Docket No. 3:20-AP-00003 (LTS)
Management Board for)
Puerto Rico,) *in 3:17-BK-3283 (LTS)*
Plaintiff,)
v.)
Ambac Assurance)
Corporation, et al.,)
Defendants.)

1
2
3 The Financial Oversight and) Docket No. 3:20-AP-00004 (LTS)
4 Management Board for)
5 Puerto Rico,) *in 3:17-BK-3283 (LTS)*
6)
7 Plaintiff,)
8)
9 v.)
10)
11 Ambac Assurance)
12 Corporation, et al.,)
13)
14)
15 Defendants.)

11
12 The Financial Oversight and) Docket No. 3:20-AP-00005 (LTS)
13 Management Board for)
14 Puerto Rico,) *in 3:17-BK-3283 (LTS)*
15)
16 Plaintiff,)
17)
18 v.)
19)
20 Ambac Assurance)
21 Corporation, et al.,)
22)
23)
24 Defendants.)
25

Rafael Hernandez Montanez) Docket No. 3:21-AP-00042 (LTS)
)
) in 3:17-BK-3283 (LTS)
Plaintiff,)
)
v.)
)
Pedro Pierluisi Urrutia,)
7 et al.,)
)
)
Defendants.)

OMNIBUS HEARING

BEFORE THE HONORABLE U.S. DISTRICT JUDGE LAURA TAYLOR SWAIN

UNITED STATES DISTRICT COURT JUDGE

AND THE HONORABLE U.S. MAGISTRATE JUDGE JUDITH GAIL DEIN

UNITED STATES DISTRICT COURT JUDGE

APPEARANCES:

ALL PARTIES APPEARING TELEPHONICALLY

For The Commonwealth
of Puerto Rico, *et al.*: Mr. Martin J. Bienenstock, PHV
Mr. Brian S. Rosen, PHV
Mr. Paul Possinger, PHV
Mr. Michael Firestein, PHV
Ms. Margaret Dale, PHV
Mr. Timothy Mungovan, PHV

For Puerto Rico Fiscal
Agency and Financial
Advisory Authority: Mr. Peter Friedman, PHV

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

APPEARANCES, Continued:

For Vitol, Inc., and
Vitol S.A.:

Mr. Alexander L. Kaplan, PHV
Mr. Michael C. Kelso, PHV

For the Honorable
Rafael Hernandez Mendez: Mr. Jorge Martinez Luciano, Esq.
Mr. Emil Rodriguez Escudero

Proceedings recorded by stenography. Transcript produced by
CAT.

I N D E X

1		
2	WITNESSES:	PAGE
3	None.	
4		
5	EXHIBITS:	
6	None.	
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		

San Juan, Puerto Rico

April 29, 2021

At or about 9:44 AM

* * *

THE COURT: Ms. Tacoronte, would you please call the case?

COURTROOM DEPUTY: The United States District Court for the District of Puerto Rico is now in session. The Honorable Judge Laura Taylor Swain presiding. Also present the Honorable Magistrate Judge Judith Dein. God save the United States of America and this Honorable Court.

Bankruptcy Case No. 2017-3283, *In re: The Financial Oversight and Management Board of Puerto Rico, as a representative of the Commonwealth of Puerto Rico, et al.*, for Further Omnibus Hearing.

THE COURT: Good morning, and welcome again, counsel, parties in interest, and members of the public and press. This is the second day of the April Omnibus Hearing in these cases, and today I will be hearing oral arguments on motions in Adversary Proceeding No. 19-453 and Adversary Proceeding No. 21-042.

To ensure the orderly operation of today's telephonic hearing, all parties on the line must mute their phones when they're not speaking. If you're accessing these proceedings on a computer, please be sure to select "mute" on both the

1 Court Solutions dashboard and your phone. When you need to
2 speak, you must unmute on both the dashboard and the phone.

3 I remind everyone that consistent with court and
4 judicial conference policies and the orders that have been
5 issued, no recording or retransmission of the hearing is
6 permitted by any person, including but not limited to the
7 parties, members of the public, and members of the press.
8 Violations of this rule may be punished with sanctions.

9 I will be calling on each speaker during the
10 proceedings. When I do, please identify yourself by name for
11 clarity of the record. After the speakers listed on the
12 Agenda have spoken, I may provide an opportunity for other
13 parties in interest to make brief comments on issues, but
14 given that this morning's proceedings are specific to certain
15 adversary proceedings, don't count on my doing that.

16 Please don't interrupt each other or me during this
17 hearing. If we interrupt each other, it is difficult to
18 create an accurate transcript of the proceedings. But having
19 said that, as usual, I apologize in advance for breaking this
20 rule as I may interrupt if I have questions or if you go
21 beyond your allotted time. If anyone has difficulty hearing
22 me or another participant, please say something right away.

23 The Agenda, which was filed as docket entry no. 16615
24 in case no. 17-3283, the bankruptcy case, is available to the
25 public at no cost on Prime Clerk for those who are

1 interested.

2 I encourage each speaker to keep track of his or her
3 own time. The Court will also be keeping track of the time,
4 and will alert each speaker when there are two minutes
5 remaining with one buzz, and when time is up, with two buzzes.
6 Here is an example of the buzz sound.

7 (Sound played.)

8 THE COURT: If your allocation is two minutes or
9 less, you will just hear the final two buzzes.

10 If we need to take a break, I will direct everyone to
11 disconnect and dial back in at a specified time. Today we
12 will go until one o'clock if necessary.

13 We will begin with Agenda Item III.1, oral argument
14 on the cross-motions for summary judgment in *PREPA v. Vitol*.
15 I have down that we will begin with 25 minutes of argument on
16 behalf of Vitol by Messrs. Kaplan and Kelso.

17 Mr. Kaplan?

18 MR. KELSO: Good morning, Your Honor. This is
19 Michael Kelso. I'm an associate at Susman Godfrey. I'm here
20 for Vitol, Inc. and Vitol SA. I'll address the liability
21 issues on PREPA's affirmative claim.

22 PREPA's liability claims seek to retroactively
23 nullify six fully performed fuel supply contracts after those
24 contracts expired on their own terms, even though PREPA
25 received the full benefit of its economic bargain, admits it

1 suffered no actual damages, and does not have a cause of
2 action for breach of those contracts.

3 PREPA seeks to nullify the contracts based on its Law
4 458 claims, which are Counts I and II in both the first and
5 second complaints.

6 THE COURT: Mr. Kelso.

7 MR. KELSO: Yes, Your Honor.

8 THE COURT: May I ask you to slow down just a bit?

9 MR. KELSO: Yes, Your Honor.

10 THE COURT: Thank you.

11 MR. KELSO: And also seeks to nullify the contract
12 based on its deceit claim, which is Count VIII of the second
13 complaint.

14 I will now address the Court's questions on liability
15 in the order the Court raised them yesterday. First, the
16 Court asked whether VIC was ever VSA's alter ego, and this
17 question goes to Counts I and II in both the first and second
18 complaint. The answer to the Court's question is no. PREPA
19 has not come close to establishing the exceptional
20 circumstances necessary to disregard the corporate form under
21 Delaware law. The choice of law issue is fully addressed in
22 our briefing, so I'll get right to substance.

23 The uncontroverted evidence set out at pages 18 and
24 19 of our opening brief, and 8 to 14 of our reply, is that VIC
25 was incorporated in late 2006 as part of a long plan of an IRS

1 approved reorganization to take over the Americas trading
2 business of VSA's U.S. branch office. After that
3 reorganization, VSA and Vitol established separate legal
4 entities operating separate businesses. And these were not
5 just separate entities on paper, Your Honor.

6 When VIC began operations on January 1st, 2007, it
7 was capitalized with substantial assets, and took over the
8 Americas trading business formerly operated by VSA's branch
9 office. VSA continued in operation after the reorganization,
10 and continued its own separate and substantial trading
11 business in Europe, Africa, and Asia.

12 Moreover, Your Honor, PREPA does not dispute any of
13 the deciding factors the Delaware courts use to evaluate alter
14 ego. They don't dispute that VIC was adequately capitalized;
15 that it observes corporate formalities; had its own bank
16 accounts, its own officers, directors, credit facilities; pays
17 its own expenses; files its own tax returns; has never had its
18 funds taken; and when it transacts business with VSA, does so
19 at arm's length, at market prices. That evidence is
20 uncontroverted and it's conclusive.

21 Now PREPA's main argument in its reply is that,
22 quote, Vitol's corporate restructuring was done in part for
23 limited legal liability for VSA's conviction. There is
24 absolutely zero evidence in the record to support that
25 assertion. Not one of the documents discussing VSA's proposed

1 restructuring mentions the IIC inquiries, the New York DA's
2 office investigation, or -- let alone the fuel supply
3 contracts of PREPA for Puerto Rico.

4 Instead, PREPA cites only the general statements in a
5 letter from VSA and VIC to the IRS saying one of the business
6 purposes of the reorganization was to protect against the risk
7 that VSA's, quote, non-U.S. assets may be subjected to
8 potential claims or liabilities in the U.S. Court after court
9 has held such evidence is insufficient as a matter of law to
10 establish alter ego, and for obvious reasons.

11 The general objective of limiting liability is not
12 just a legitimate reason for incorporation. It is the
13 principal reason for incorporation. And we cite that case law
14 at page 12 of our reply.

15 Both Delaware law and Puerto Rico law set a far
16 higher standard. The plaintiff must prove, quote, specific
17 intent to escape liability for a specific tort or class of
18 torts. And that's the *Mobile Oil* case cited at page 14 of our
19 reply. Now, that was the showing in *CASCO Sales*. The only
20 case PREPA cites on this point.

21 PREPA claims at page 6 of its reply, quote, Vitol
22 argues against alter ego by claiming its behavior was not as
23 egregious as the convicted entity in *CASCO Sales*. That's not
24 our point at all. The defendant's conduct in *CASCO Sales* was
25 different in kind from the evidence here, not just in degree.

1 As we explained at page 14 of our reply, the convicted firm in
2 *CASCO Sales* had repeatedly created new entities and
3 transferred its entire business to them for the specific
4 purpose of evading Law 458.

5 Here, there's no evidence in the record, none, that
6 VIC's incorporation had anything to do with Law 458, the fuel
7 supply contracts, or PREPA, or even VSA's New York conviction,
8 or the investigation that preceded it. And it's not just
9 there's an absence of evidence, Your Honor, although that in
10 itself would require summary judgment under *Salsde* (ph).
11 We've discovered abundant evidence supported by
12 contemporaneous documents and testimony from the percipient
13 witnesses demonstrating that the incorporation of VIC was
14 motivated by legitimate business purposes entirely unrelated
15 to PREPA, or the New York investigation. A then ongoing IRS
16 audit, it changed the company's understanding of the tax
17 benefits of our branch structure, as well as attempts by
18 creditors of certain of VSA's overseas counterparties to
19 attach liens in the U.S. on VSA's assets by taking advantage
20 of the branch structure.

21 PREPA failed to carry its burden to controvert these
22 facts. Defendants are entitled to judgment as a matter of law
23 on alter ego.

24 So the Court's second question was whether VSA's
25 conviction falls outside the scope of Law 458. The answer to

1 that question is yes. VSA's conviction is outside the scope
2 of Law 458, and that is dispositive of all PREPA's claims as
3 to the contracts at issue.

4 Law 458 sets out a specific list of the Puerto Rico
5 law offenses for which a conviction is disqualifying. VSA was
6 convicted in New York, not Puerto Rico, so the question is how
7 do we evaluate whether VSA's New York conviction falls within
8 Law 458's listed Puerto Rico law requirement.

9 The text of the statute answers that question.
10 Section 928(b) states, quote, for the purposes of federal
11 jurisdiction, that of the states, and territories of the
12 United States, or of any other country, the prohibitions set
13 forth in this chapter shall apply in cases of conviction for
14 crimes whose constituent elements are equivalent to the above
15 stated crimes.

16 As we explain on page 21 of our opening brief and 15
17 to 16 of our reply, that is exactly the type of language that
18 courts hold it requires, a categorical approach. PREPA does
19 not dispute that if a categorical approach applies, VSA's New
20 York conviction is outside the scope of Law 458. Instead,
21 PREPA argues the categorical approach does not apply. In the
22 reply, PREPA argues for a, quote, case specific approach that,
23 quote, considers a defendant's conduct, rather than the
24 elements of an offense. But PREPA's proposal, Your Honor, is
25 completely at odds with the language of section 928(b), which

1 looks to the constituent elements of the offense of conviction
2 and asks whether those elements are equivalent to any of the
3 listed Puerto Rico law offenses.

4 So PREPA can't be right, and the Court should apply a
5 categorical approach. But even if you apply PREPA's case
6 specific approach, Vitol -- VSA's conviction is still outside
7 the scope of Law 458.

8 We explained at pages 21 and 22 of our opening brief
9 three separate, legally independent reasons why VSA's
10 underlying contract, as set out in the New York Plea
11 Agreement, would not constitute illegal appropriation under
12 Puerto Rico law. PREPA did not respond at all to that
13 analysis, and, therefore, it's uncontested for purposes of
14 summary judgment. VSA's conviction is outside the scope of
15 Law 458, and that resolves this whole case as a matter of law.

16 The Court's third question was whether Law 458
17 disqualified VIC from contracting with PREPA based on VSA's
18 conviction. The answer to that question is no. And this goes
19 to Counts I and II in both the first and second complaints.

20 Law 458 barred the government from contracting with
21 corporations convicted of certain specified crimes. VIC was
22 PREPA's counterparty on all six contracts at issue, and VIC
23 was not convicted of any crime. So to show a Law 458
24 violation, PREPA has to establish that VSA's conviction
25 disqualified VIC from contracting with PREPA.

1 To do that, PREPA relies on Law 458's specialized
2 statutory definition of the term juridical person, which is
3 defined to include not just the corporation itself but also
4 its subsidiaries. For the first four contracts at issue, the
5 contracts executed before VSA was convicted, and which PREPA
6 challenges in Count I of the second complaint, that argument
7 just doesn't work.

8 For the first four contracts, PREPA's claim is based
9 on Law 458's automatic rescission provision and section
10 928(c), but automatic rescission, Your Honor, applies only to
11 contracts, quote, between the person convicted or found guilty
12 and a public corporation. Section 928(c) does not use Law
13 458's statutorily defined term juridical person.

14 PREPA makes two new arguments in its reply brief that
15 section 928(c) nonetheless applies. Those are incorrect.
16 First --

17 COURT REPORTER: Counsel -- I'm sorry, Your Honor.
18 This is the court reporter. Can counsel please repeat his
19 last statement and slow down some?

20 MR. KELSO: Yes. My apologies.

21 THE COURT: Please do speak much more slowly, and go
22 back and repeat your last statement.

23 MR. KELSO: Yes, Your Honor. PREPA makes two new
24 arguments in its reply brief that section 928(c) nonetheless
25 applies. Those are incorrect.

1 First, PREPA claims that the first contract at issue
2 was actually with VSA. PREPA is wrong. Although the first
3 contract was originally executed with VSA's U.S. branch
4 office, VSA assigned that contract to VIC effective January 1,
5 2007. And PREPA approved that assignment in writing, and
6 fully performed the remainder of the contract post assignment
7 with VIC as a counterparty.

8 THE COURT: Mr. Kelso --

9 MR. KELSO: Yes, Your Honor.

10 THE COURT: -- are you contending that that
11 assignment by VSA was a novation as to VSA?

12 MR. KELSO: Yes, Your Honor.

13 THE COURT: So what documentation is there for
14 PREPA's release of VSA from any liability under the
15 contract?

16 MR. KELSO: Well, Your Honor, this is a matter of
17 Puerto Rico law, and the case we cite is *Goya of Puerto Rico,*
18 *Inc., against Roland Coffee.* And you'll find that case law at
19 page 12, note three, of our opening brief.

20 And the issue here is that VSA notified PREPA in
21 writing of the assignment. PREPA confirmed that assignment
22 orally. They signed off on a subsequent assignment of VIC's
23 right to receive payments under the contract, which further
24 constitutes a ratification of the assignment, and then fully
25 performed the remainder of the contract based on the

1 subsequent assignment of the contract to VIC.

2 In *Goya of Puerto Rico, Inc., against Rowland Coffee*,
3 which is 206 F. Supp. 2d 211, the District of Puerto Rico
4 explained the perfection of the assignment of rights
5 accompanied by the consequent occupation of the assignor's
6 contractual position by the assignee necessarily implies that
7 Tetley was automatically liberated of its obligations towards
8 Goya, the obligor. And we made this argument, as I said, Your
9 Honor, and cited the relevant Puerto Rico case law at page 12,
10 note three of our opening brief. PREPA did not respond at
11 all, and so the issue was uncontested for summary judgment.

12 PREPA's second argument and reply is based on *New*
13 *Hampshire Lottery Commission against Rosen*. Based on that
14 case, PREPA argues "person" in section 928(c) is undefined and
15 should be read as incorporating the statute's definition of
16 natural or juridical person. PREPA is wrong.

17 *New Hampshire Lottery* dealt with undefined terms, and
18 undefined terms that appeared in the same sentence of the same
19 section of the statute, and where the later terms were a
20 shorthand reference back to earlier unqualified terms in that
21 same sentence. But here, Your Honor, the legislature
22 specifically defined the term juridical person, and chose not
23 to use that specially defined term anywhere in section 928(c),
24 even when the legislature repeatedly uses the defined term
25 natural or juridical person in multiple other sections of the

1 statute to incorporate the specialized statutory definitions
2 of those terms.

3 And the legislature did not just say "person" in
4 section 928(c). They included the modifier, the person
5 convicted or found guilty, a further textual indication that
6 the legislature meant the entity that was actually convicted,
7 not other related entities that were not convicted.

8 So that brings us to PREPA's challenge of the last
9 two contracts, and these are the two contracts executed after
10 VSA's conviction challenged in Counts I and II of PREPA's
11 first complaint. PREPA brings its claims as to the last two
12 contracts under Law 458's prohibition on contracting in
13 section 928.

14 As we explained in pages four to 17 of our opening
15 brief, section 928 only applied to corporations that were
16 subsidiaries of a convicted company at the time the contract
17 was awarded. VIC was not the SA subsidiary when the final two
18 contracts were awarded, and PREPA appears to agree, because
19 PREPA's only argument about the final two contracts is that
20 they thought it to be VSA's alter ego. Let me address why
21 that alter ego claim fails as a matter of law at the outset.

22 So the Court's third question was whether any of the
23 fuel supply contracts were void based on deceit. The answer
24 is no, and this goes to Count VIII in the second complaint,
25 which challenges the last four contracts only -- I'm sorry,

1 the first four contracts only, Your Honor. I apologize. My
2 apologies.

3 First, it's worth situating PREPA's deceit claim
4 within the overall case. This is PREPA's fallback claim if
5 it's not a Law 458 violation. Obviously, if the contracts are
6 invalid under Law 458, then PREPA's deceit claim adds nothing
7 to the case. The contracts are already invalid based on the
8 statute. So PREPA's deceit claim is relevant only if PREPA
9 was legally permitted to contract with VIC under Law 458.

10 PREPA's deceit claim centers on nondisclosure of the
11 investigation of VSA, and that's because Law 458 does not
12 prohibit the government from contracting with a party who is
13 merely under investigation. So PREPA's deceit claim presents
14 a classic but-for role question at summary judgment.

15 PREPA must establish that even though it is legally
16 permitted to contract with VIC under Law 458, it would not
17 have done so as a factual matter had it known of the
18 investigation of VSA. Importantly, PREPA'S deceit claim is
19 based on generally applicable Puerto Rico contract law rules,
20 not any special rules that apply to government contracts.

21 PREPA's failed to carry it's summary judgment burden.
22 PREPA included specific provisions in the fuel supply
23 contract, and provided disclosure forms that PREPA drafted
24 setting out the specific information PREPA required to enter
25 into the contracts at issue. We walked through these

1 contractual disclosures in detail at pages 23 to 25 of our
2 summary judgment motion.

3 None of PREPA's contractual provisions or
4 certification forms require any disclosures as to any legal
5 entity other than the contractual counterparty. Two of the
6 three forms used for the contracts at issue did not even
7 mention investigations at all, and the one that did was
8 limited to the counterparty, which was VIC.

9 The first time PREPA ever claimed VIC was required to
10 disclose any information about its parent corporation,
11 conviction, investigation, anything, was in this litigation.
12 PREPA cannot establish a Puerto Rico contract law claim for
13 deceit based on the nondisclosure of information that PREPA
14 could have --

15 THE COURT: Slow down again, please.

16 MR. KELSO: I'm sorry, Your Honor.

17 PREPA cannot establish a Puerto Rico contract law
18 claim for deceit based on the nondisclosure of information
19 that PREPA could have requested but did not. And then PREPA's
20 own cases makes this point, Your Honor. In *Fournier against*
21 *Eastern Airlines, Inc*, which PREPA cites at page 39 of its
22 response, the Court granted summary judgment on a claim for
23 *dolo*, where the contract specified the warranties it required
24 and included a merger clause, because, quote, the terms of the
25 contract are clear. There were no warranties as to the use of

1 the land for a specific purpose.

2 All of the contracts at issue here contain merger
3 clauses just like the contract in *Fournier*, and the Court can
4 find those clauses at Article 27 of the contracts in DX-1,
5 DX-3 and DX-4; Article 29 in DX-2 and DX-5; and Article 30 in
6 DX-6.

7 And that's particularly true here, Your Honor,
8 because under Puerto Rico law, only serious deceit is
9 sufficient to nullify a contract. And PREPA's burden is
10 heightened still, because PREPA is a commercially
11 sophisticated counterparty.

12 The First Circuit in *Feliciano Nunez*, cited at page
13 17 of our reply, states that *dolo*, quote, may not be presumed.
14 And the Court, in determining whether to promote invalidation
15 of a contract on the basis of *dolo*, Puerto Rico courts place
16 significant weight on the education, social background,
17 economic status, and business experience of the party seeking
18 to avoid the contract.

19 To show serious deceit, PREPA had the summary
20 judgment burden to put forward specific evidence that PREPA
21 would not have entered into the six fuel supply contracts with
22 VIC even if it were legally permitted to do so based on
23 information that was not included in the detailed disclosure
24 forms that PREPA itself drafted and provided to VIC for the
25 purpose of entering into the contracts at issue.

1 PREPA presented no evidence to carry that burden, no
2 deposition, no declaration, no documentary evidence, nothing.
3 A total failure of proof. Because PREPA failed to put forward
4 any evidence on an essential element of its deceit claim,
5 defendants are entitled to summary judgment.

6 The Court's last question asked if the parties
7 believed that there were other issues that were immaterial to
8 resolving this case, Your Honor, and we do. Those are the
9 remedy issues. And I'll let Mr. Kaplan address them now,
10 unless the Court has further questions.

11 THE COURT: I do have a question for you,
12 Mr. Kelso.

13 MR. KELSO: Yes, Your Honor.

14 THE COURT: It appears that VSA, doing business as
15 VIN, misrepresented as early as February 28, 2006, that Vitol
16 has no knowledge of being under judicial, legislative, or
17 administrative investigation in Puerto Rico, the United States
18 of America, or any other country; but the New York County DA
19 had issued subpoenas to VSA dated November 22nd, 2005, and
20 January 26, 2006.

21 So do you concede that while the first contract was
22 underway, VIN falsely denied knowledge of any investigations
23 in violation of section 928(f)?

24 MR. KELSO: No, Your Honor. VSA's conviction and the
25 preceding investigation were outside the scope of Law 458.

1 Moreover, PREPA did not identify the particular sworn
2 statement you're referring to in its summary judgment briefing
3 as the basis for its deceit claim, and there's a reason why.
4 That's because that sworn statement was not submitted in
5 connection with any of the six contracts at issue.

6 That sworn statement was received by PREPA in March
7 2006, seven months after the first contract was executed, and
8 nearly a year before the next contract with PREPA was signed.
9 So PREPA could not have relied on that sworn statement in
10 entering into the first contract.

11 PREPA specifically asked for and received another
12 disclosure statement in connection with the first contract at
13 issue. That disclosure did not ask for investigations, and it
14 asked that -- and, therefore, it was truthful. So that sworn
15 statement does not constitute a factual basis to set aside the
16 first contract at issue on the basis of deceit or, frankly,
17 any of the other contracts, Your Honor.

18 THE COURT: Thank you.

19 So we can turn to Mr. Kaplan.

20 Thank you very much, Mr. Kelso.

21 Mr. Kaplan, you need to unmute yourself on your phone
22 and on the computer dashboard.

23 MR. KAPLAN: Good morning, Your Honor. Alex Kaplan
24 on behalf of Vitol, Inc., and Vitol SA. Can you hear me?

25 THE COURT: Yes, I can. Good morning, Mr. Kaplan.

1 MR. KAPLAN: Thank you, Your Honor.

2 Yesterday, in the Court's preliminary remarks, the
3 Court invited the parties to address whether they believed any
4 issues, besides the four the Court identified, are important
5 to the resolution of the motion. And I respectfully submit,
6 Your Honor, that the remedy issues are additional, and, at a
7 minimum, independent grounds for summary judgment in our
8 favor.

9 That's because PREPA's two complaints in this case
10 seek one, and only one, very specific form of relief. And the
11 Court can resolve, as a matter of law, that PREPA has no legal
12 entitlement to that particular theory of relief. And that is
13 what PREPA calls, quote, unilateral repossession. The return
14 of all money that PREPA paid under the six contracts at issue
15 for fuel that was, of course, consumed to generate electricity
16 and sell to consumers, while obtaining all of the benefits of
17 that fuel oil. That's Count II of the first complaint,
18 document 31-3, and it's Count III in the second complaint,
19 Doc. 1, at 56.

20 There were, of course, also claims for damages
21 alleged to have been incurred in substituting suppliers, but
22 PREPA, in fact, sustained no damages by its own admission,
23 Your Honor -- and that is paragraph 116 of our statement of
24 facts, which is document 38 -- and has, thus, withdrawn those
25 claims, which were Counts III and IV in the first complaint,

1 and Count V in the second complaint.

2 So with respect to the unilateral repossession
3 theory, Your Honor, there are two purported legal bases for
4 that claim. The first is the reimbursement penalty under
5 928(c) of Law 458. And, Your Honor, we have a threshold
6 standing argument on this point. I'll stand on the papers on
7 that, and I'd like to address the substance.

8 The reimbursement penalty under 928(c) is limited to,
9 quote, the reimbursement of payments made with regard to the
10 contract or contracts directly affected by the commission of
11 the crime. And we argued in our motion, Your Honor, at page
12 30, that PREPA cannot satisfy this statutory requirement to
13 obtain reimbursement.

14 PREPA did not address this point in any respect in
15 its response, nor did PREPA controvert our evidence that the
16 facts underlying VSA's conviction, which related exclusively
17 to oil allocations in Iraq from years before the contracts
18 here at issue were executed, had no effect, let alone the
19 required direct effect on the contracts with PREPA. As a
20 matter of law, Your Honor, summary judgment is, therefore,
21 proper.

22 However, for the first time, in its reply brief,
23 PREPA suggests that it can meet the directly affected
24 standard. That is incorrect, Your Honor. PREPA's argument in
25 its reply, at pages nine and ten, is that because the

1 conviction is the basis for the purported contract
2 nullification, then the contract law is directly affected by
3 the conviction.

4 That is circular, Your Honor. If every contract
5 subject to rescission under the first penalty in section
6 928(c) qualifies for the reimbursement penalty in the second
7 sentence of 928(c), then the second sentence would simply say,
8 in addition, the government may seek reimbursement of payments
9 made under all such contracts, or perhaps under any contract
10 so rescinded, or the like. But that is not what the
11 legislature provided.

12 (Sound played.)

13 MR. KAPLAN: Rather, it limited the reimbursement
14 penalty to payments made with regard to contracts directly
15 affected by the commission of the crime. And, again, Your
16 Honor, PREPA's argument proceeds from a false premise. The
17 statute does not say, contracts directly affected by the fact
18 of conviction. It says, contracts directly affected by the
19 commission of the crime.

20 And here the summary judgment evidence is conclusive.
21 The commission of the crime had no effect, let alone the
22 required direct effect, on the contracts at issue. This is
23 very different than, for example, a conviction for wire fraud,
24 for a false billing to a public entity in Puerto Rico. There,
25 of course, the contract will be directly affected by the

1 crime. So, Your Honor, the 928(c) remedy is not available to
2 PREPA.

3 And I would just point out as history, Your Honor,
4 having lived with this case for more than a decade, that PREPA
5 does not actually even have a claim for relief under the
6 reimbursement penalty of 928(c). There is no cause of action
7 for the 928(c) reimbursement penalty in either complaint, not
8 even a mention of that provision of 928(c). It's simply not
9 part of the relief PREPA pleaded for. I would ask my friend
10 on the other side to show otherwise. And that was not -- no
11 accident.

12 PREPA's outside counsel who filed these cases wrote a
13 memo that was publicly released. It's Exhibit 88 to our
14 statement of facts, which expressly says the contracts here
15 will not directly effect without a commission of a crime.

16 Instead, Your Honor, PREPA seeks remedies under
17 Articles 1258 and 1257 of the Puerto Rico Civil Code. We
18 address that point in our brief, Your Honor. That's the only
19 specific remedy sought in the Complaint, other than the
20 damages claim that has been withdrawn, and that issue is
21 covered by the repeal argument that we set forth in our brief.

22 Those specific civil code provisions are not
23 available to PREPA in this case, Your Honor. And that is
24 dispositive of, again, the only remedy that PREPA actually
25 seeks. In their brief in this case, Your Honor, PREPA --

1 (Sound played.)

2 THE COURT: You can finish your sentence.

3 MR. KAPLAN: Thank you, Your Honor.

4 In their brief in this case, PREPA says, well, in
5 arguing against appeal, at least we still have our other
6 common law claims.

7 I just point out to the Court, Your Honor, there is
8 no common law claim for restitution or disclosure of any type
9 in either complaint in this case, nor is there a cause of
10 action for the gross profit that is now alluded to as sort of
11 a lesser form of relief in the reply brief, Your Honor. There
12 is no claim for gross profit, and the undisputed summary
13 judgment evidence is there is no gross profit to disgorge.

14 Thank you.

15 THE COURT: Thank you, Mr. Kaplan.

16 We will now hear from Ms. Dale for PREPA, and I have
17 her allotted for 30 minutes.

18 MS. DALE: Good morning, Your Honor. This is
19 Margaret Dale from Proskauer Rose for the Oversight Board, as
20 a representative of PREPA.

21 THE COURT: Good morning.

22 MS. DALE: Your Honor, I would like to reserve five
23 minutes for rebuttal, please.

24 THE COURT: All right. So the sequence that you
25 anticipate is that Messrs. Kaplan and Kelso will come back for

1 five minutes, and then you come back for five additional
2 minutes?

3 MS. DALE: That is accurate, Your Honor. Yes. Thank
4 you.

5 THE COURT: Very well. So 25 minutes for you now.

6 MS. DALE: Thank you.

7 Your Honor, thank you for your comments yesterday.
8 That was also very helpful to us in organizing our -- the
9 argument. I just want to start with an overview of the
10 argument, and then I'll jump in and try to weave in responses
11 to Vitol counsel's oral argument this morning.

12 We believe PREPA has established that VSA and VIC
13 violated Law 458, and sometimes I will refer to VSA and VIC
14 collectively as Vitol. The first issue concerning the six
15 contracts with PREPA, PREPA has shown an intentional scheme by
16 Vitol to avoid the very liability that PREPA is suing on here
17 today.

18 Second, Law 458 applies even if VIC is not VSA's
19 alter ego, and we contend that it is. That is so because VIC
20 was a wholly owned subsidiary of VSA at the time of VSA's
21 conviction for grand larceny in the first degree on November
22 20th, 2007. The first four contracts between the parties were
23 still in existence, and, therefore, were automatically
24 rescinded at the time of the conviction.

25 Third, VSA's conviction squarely falls within the

1 scope of Law 58. Fourth, I will address how VIC was VSA's
2 alter ego. Fifth, the contracts are also void for deceit, and
3 PREPA is entitled to full reimbursement under Articles 1257
4 and 1258.

5 So the six contracts between VSA -- between PREPA and
6 Vitol violated Law 458. Both VIC and VIN -- and VIN is the
7 branch of VSA doing business in the United States and Puerto
8 Rico. Both VIC and VIN are juridical persons, as reflected in
9 the statute.

10 THE COURT: Let me just ask you, so VIN, as I
11 understood it was a d/b/a -- "doing business as" -- name of
12 VSA before the creation of VIC, that separated certain
13 elements of the business out to a different corporate entity.
14 So when you say that VIN is a juridical person, are you saying
15 that VSA is a juridical person, or that VIN is some separate
16 juridical entity from both VSA and VIC?

17 MS. DALE: I mean VIC -- excuse me, Your Honor. VSA
18 is the juridical person, and VIC is the brand for the doing
19 business of that juridical person. They're the same. There's
20 no difference between VIC and VS -- VIN -- I'm sorry. To the
21 reporter, sorry. There is no difference between VIN and VSA
22 for that purpose.

23 THE COURT: Thank you.

24 MS. DALE: Your Honor, I mentioned this before, but
25 it's important to get the dates straight. And that's why we

1 created Exhibit A, which we filed on the 27th of April, to try
2 to put before the Court the timeline of both -- well, three
3 aspects: The corporate structure, the actual contracts with
4 PREPA, and then the investigations and the plea.

5 So it's undisputed that VSA was under investigation
6 by the New York District Attorney for bribery in connection
7 with the Iraqi oil contracts, and that VSA knew of that
8 investigation in -- at least in November of 2005 when it
9 received subpoenas. It was also aware, obviously, of the
10 UNIIC investigation and the report that was issued earlier.
11 The report was issued in October, October 27, 2005, which
12 began -- which made public the bribery situation involving VSA
13 and Iraq.

14 Your Honor, I want to touch on one of the questions
15 you had about Law 458 and whether it applies, even if VIC is
16 not VSA's alter ego. And we think it does apply. And we
17 think we've proved that it applies, particularly in the
18 situation here where VIC undisputedly was the subsidiary of
19 VSA at the time of the conviction, while the first four
20 contracts, excuse me, were still in existence, and, therefore,
21 were automatically rescinded in our view, because VIC -- Vitol
22 argues that Law 458 really only applies if VIC or its
23 subsidiaries had been convicted. But because VIC's parents
24 were convicted, VIC had no duty to disclose his parents'
25 conviction under the statute.

1 The basis for that argument is the text of section
2 928(a), which defines a juridical person as, "corporations" --
3 and I'm skipping a few words -- "including those that
4 constitute for these purposes the alter ego of the juridical
5 person or subsidiaries thereof."

6 Vitol has also argued that 458, Law 458 only applies
7 to companies that are the same juridical person at the time
8 the contract is awarded, not at the time of conviction, based
9 on an argument about the verb tense that was used. That's
10 their motion, at pages 15 and 16.

11 We believe that these interpretations are contrary to
12 Puerto Rico law and open an enormous loophole for companies to
13 avoid Law 458 by simply creating new subsidiaries. And very
14 importantly, I think, Vitol ignores the Circuit Court of
15 Appeals of Puerto Rico's decision in *Rico Tractor, Inc.*,
16 *versus Junta de Subastas del Municipio Autónomo de Carolina*.
17 That is 2004 P.R. App. Lexus 1107, which holds that Law 458
18 applies to the subsidiary of a convicted entity.

19 The Court there clearly held, quote, within the
20 definition of legal persons stipulated in the aforementioned
21 article one, which is referring to section 928 of Law 458,
22 subsidiaries are both convicted of -- excuse me, subsidiaries
23 convicted of fraud are included, end quote.

24 There in that case, the Court found that Rico
25 Tractor, the appellant, was a subsidiary of the company,

1 Clemente Santisteban, during the period that Clemente was
2 convicted in federal court for the crime of fraud against the
3 Government of the United States.

4 Quoting again from the decision, given the
5 circumstances that the appellant, Rico Tractor, was a
6 subsidiary corporation of Clemente Santisteban, Inc., at the
7 moment of the latter's conviction for the crime of fraud, said
8 corporation was definitely included as a legal person
9 prohibited in the Municipality of Carolina from having tenders
10 awarded to them, end quote. That's at page 13 of the Lexus
11 decision.

12 And that's the exact circumstance here before Your
13 Honor. VIC was a subsidiary corporation of VSA at the moment
14 of VSA's conviction for the crime of grand larceny. And,
15 therefore, VIC is included within the legal persons prohibited
16 from contracting with PREPA under Law 458. And, more
17 importantly, we -- its interpretation goes against the entire
18 public policy purpose of Law 458. It would create a loophole
19 allowing corporations to circumvent the law, either by, one,
20 creating a subsidiary that can do business in Puerto Rico;
21 and, two, having an already existing subsidiary disaffiliate
22 after the date of conviction and be free to enter into new
23 contracts. It can't be that you can simply bypass Law 458 by
24 creating a subsidiary following conviction to have that
25 subsidiary operate in Puerto Rico.

1 So we believe that we've shown that Law 458 applies
2 here, even if VIC is not VSA's alter ego, because VIC's a
3 subsidiary of VSA at the time of conviction, invalidating the
4 first four contracts.

5 The second argument I'd like to make for the Court
6 answers the Court's question of whether VSA's conviction,
7 grand larceny in the first degree, falls within the scope of
8 Law 458. And --

9 THE COURT: Before you go into that --

10 MS. DALE: Sure.

11 THE COURT: -- in that you've been talking about the
12 first four contracts in connection with the juridical person
13 argument, do you concede that the later contracts were made at
14 a time when there wasn't a subsidiary relationship between VSA
15 and VIC, after that further transaction where it went to sort
16 of a sister relationship?

17 MS. DALE: Yes. Your Honor, that is the case. And
18 the fifth and sixth contracts occur after another corporate
19 restructuring, which we think is, again -- and I will get to
20 this, but they occur after the corporate restructuring at the
21 end of 2007, December 28, 2007, where VSA sells all of the
22 shares of VIC to Vitol Holdings, SARL. That's the parent
23 company. Thereby, you know, in corporate form, taking VIC out
24 of being a subsidiary of VSA, and making it what we all
25 sometimes call like a sister under the same parent.

1 There are reasons why that in and of itself, I
2 believe, should be disregarded. And I can get to those, and I
3 can move to those if the Court would prefer me to do it that
4 way now.

5 THE COURT: Well, do you have a separate alter ego
6 section of your argument?

7 MS. DALE: Yes.

8 THE COURT: If so, you can put it in that section of
9 your argument.

10 MS. DALE: Thank you. I will.

11 So, excuse me, to return to why VIC -- VSA's
12 conviction falls within the scope of Law 458, the Plea
13 Agreement, as we've looked at -- or perhaps maybe haven't
14 looked at, but it's at Ms. Febus' declaration, Exhibit 32.
15 It's the agreement dated November 20th, 2007. The crime is
16 grand larceny in the first degree under Penal Law Section
17 155.42 in the New York Supreme Court.

18 The Plea Agreement recites that Vitol SA, which is
19 VSA, is "responsible for approximately 13 million dollars in
20 surcharges that were paid to the Iraqi Government in
21 connection with the crude oil purchased directly or indirectly
22 by Vitol SA." "Surcharges" here is a nice word for bribes and
23 kickbacks, Your Honor. The conviction falls within Law 458.

24 The chart that Vitol appends to its opening brief as
25 Appendix 2 is really disingenuous, Your Honor. It doesn't

1 even state -- it doesn't even include the actual law that VSA
2 pled guilty to, which is Section 155.42. In any event,
3 Section 155.42 states, quote, a person is guilty of grand
4 larceny in the first degree when he steals property, and then
5 the value of the property exceeds one million dollars. That
6 is analogous to larceny under Puerto Rico Law 4820, the
7 illegal appropriation statute in the Penal Code of Puerto Rico
8 of 2004, which was operative at the time of VSA's conviction.

9 33 L.P.R.A., section 4820, states, "any person who
10 without violence or intimidation legally takes personal
11 property belonging to another shall commit the crime of
12 larceny and shall incur a misdemeanor."

13 Law 458, section 928(b), lists the crimes covered by
14 Law 458 and includes "aggravated misappropriation in all its
15 modalities." We believe it's quite clear here that VSA's
16 conviction for grand larceny in the first degree falls within
17 Law 458.

18 THE COURT: So how is the misdemeanor larceny offense
19 a modality of aggravated misappropriation?

20 MS. DALE: Aggravated misappropriation here just
21 refers to in all the modalities. There are numerous sections
22 of the Puerto Rico Penal Law that relate to larceny. I mean,
23 as the Court is aware, you know, there's larceny in many
24 different degrees. Aggravated is not necessarily intending to
25 mean felony in the Puerto Rico law.

1 Larceny itself includes the wrongful taking of or
2 withholding of another's property, and that is the same --
3 same as per the grand larceny in the first degree under the
4 New York Penal Law, and section 4820 in the penal law of
5 Puerto Rico.

6 We believe that this categorical approach is
7 improper. And the way that Vitol argues is that the cases
8 they cite for using a categorical approach, they are used to
9 determine which criminal convictions trigger additional
10 criminal penalties, but there's no authority for applying a
11 categorical approach to a statute that affords a civil remedy,
12 which is what 458 does. It's ignoring the real world, Your
13 Honor.

14 We argue for a case specific approach which considers
15 the conduct, as well as the elements of the offense. But here
16 the elements of the offense of grand larceny in the first
17 degree match the elements of aggravated misappropriation under
18 the Penal Law of Puerto Rico. So we believe that VSA's
19 conviction squarely falls within Law 458.

20 THE COURT: So do you believe that the reference in
21 Law 458 to constitutive elements is meaningless?

22 MS. DALE: No, I don't think it's meaningless, Your
23 Honor. But I think constitutive elements means what are the
24 basic elements of the offense, and in larceny it's the taking
25 of property without -- taking another's property without

1 force. That's the same thing as misappropriation of property
2 in the Penal Law of Puerto Rico. Those are the elements of
3 larceny, and those are the elements of misappropriation in all
4 its modalities.

5 THE COURT: Is there a Puerto Rico statute that
6 specifically defines aggravated misappropriation? Is there
7 something called aggravated misappropriation?

8 MS. DALE: That I am not aware of, Your Honor. I
9 know that we were -- when we were doing the research here, we
10 focused particularly on Section 4820 of 33 L.P.R.A. It's the
11 illegal appropriation statute in the Penal Code.

12 THE COURT: Thank you.

13 MS. DALE: Thank you.

14 So turning to the alter ego issue, which, you know,
15 is very important to this case. So we contend that in
16 addition to VIC's subsidiary status, it was at all times VSA's
17 alter ego. And it's really important again to think about the
18 public policy here.

19 I just want to touch on two things first. Under
20 Puerto Rico law, excuse me, a person is considered an alter
21 ego or a passive economic conduit of another when there is
22 such an identity of interest and ownership between them that
23 their personalities are confused, so that the corporation is
24 not really an independent legal entity.

25 That comes from the Puerto Rico Supreme Court in the

1 case called *CASCO Sales*. I'm trying to get the cite, Your
2 Honor. *CASCO Sales Company, Inc., versus Municipal Government*
3 *of Barranquitas*, 172 D.P.R. 825. And the quote that I read is
4 at page 832.

5 So courts dispense with corporate fictions and lift
6 the corporate veil when recognizing the legal entity is
7 equivalent to, quote, sanctioning of fraud, promoting an
8 injustice, evading a statutory obligation, defeating public
9 policy, justifying inequity, protecting fraud, or defending
10 crime. That's a quote, again, from *CASCO Sales*, at 832.

11 The legislative history of Law 458 shows that the
12 definition of legal or juridical entity incorporated alter ego
13 to prevent companies from circumventing the law through
14 technicalities. Reading again from *CASCO Sales*, quoting, for
15 example, they wish to represent that a company that is
16 convicted of one of the crimes listed could use a subsidiary
17 or a company that is actually its alter ego will simply change
18 its name with the sole purpose of circumventing the law, end
19 quote. We believe that the timing of the various
20 restructures in connection with the contracts involving PREPA
21 make this clear.

22 VIC is incorporated and becomes VSA's wholly owned
23 subsidiary in October of 2006, almost a year after the DA's
24 investigation begins, and more than two years after the UN
25 investigation. VSA knew it was under investigation, and began

1 to figure out a way to try to avoid the coming consequences.

2 In December of 2006, VSA and VIC sign what they call
3 the transfer agreement. That's our statement of facts,
4 paragraph 21. This is months after VSA responded to the
5 subpoenas issued by the New York District Attorney.

6 In that restructuring, VSA transfers all of the
7 operations of the U.S. branch to VIC, its wholly owned
8 subsidiary. The consequence is all the PREPA related
9 obligations are transferred through VIC.

10 In the letter that it writes to "its valued customer"
11 dated December 19, 2006, this is at the Febus Declaration,
12 Exhibit 7, VIN explains that effective January 1, 2007, the
13 U.S. branch of Vitol SA will reorganize to form Vitol, Inc.,
14 which it then designs as, Inc., and VIC will be a wholly owned
15 subsidiary. It says, in short, Vitol SA is assigning all of
16 its U.S. based assets and liabilities held under the name
17 Vitol SA, Inc., to a new wholly owned subsidiary. And in the
18 section called future business, the letter goes on and says,
19 after the effective date, all new trading business will be
20 done in the name of VIC.

21 The staff, contact information, authorized traders,
22 management team, street address, e-mail addresses, and
23 telephone numbers for VIC are the same as they were for the
24 branch. So the fair inference here is VIC is not an
25 independent legal entity --

1 (Sound played.)

2 MS. DALE: -- with respect to VSA and VSA's
3 relationship with PREPA. It was done to circumvent Law 458.
4 VSA is under investigation for bribery and discussing taking a
5 plea, which would automatically result in the rescission of
6 contracts already entered into and the requirement of giving
7 the notice.

8 In addition, Your Honor, in 2007, there's further
9 restructuring done to attempt to limit VSA and VIC's legal
10 liability for the conviction. Weeks after the conviction on
11 December 28, VSA sells all of its shares to VIC -- sells all
12 of the shares of VIC to the parent, Vitol Holdings.

13 In its letter to the IRS, which was Exhibit 23 to the
14 Vitol exhibits, they very transparently reflect the efforts to
15 avoid liability, particularly on the fifth and sixth
16 contracts, which postdated the conviction, and were entered
17 into by VIC after it had been transferred to the parent.

18 They ask for certain rulings from the IRS to minimize
19 tax liabilities associated with restructuring and the
20 distribution of the shares from VSA to Vitol, including
21 seeking significant corporate law protection against claims,
22 liabilities, and adverse treatment. And notwithstanding that,
23 that corporate restructuring was done and -- thereby removing
24 VIC as a subsidiary.

25 They continue to be alter egos of one another, and

1 that's best demonstrated by the admission made by VSA and VIC
2 just a few months ago on December 3rd, 2020.

3 Your Honor, there's a Federal Information charging
4 VIC and VSA, with fraud from officials in Brazil, Mexico,
5 Ecuador, between 2004 and 2020. It was unsealed on December
6 3rd, 2020. 135 million dollars total criminal fine imposed.
7 They admitted that -- both VIC and VSA admitted in the
8 deferred prosecution agreement --

9 (Sound played.)

10 MS. DALE: Can I finish, Your Honor?

11 THE COURT: You can finish the thought, yes.

12 MS. DALE: -- that VSA directly -- quote, directly
13 owned and controlled VIC from approximately 2004 to 2009.
14 This admission made recently to the U.S. Attorney is directly
15 contrary to the contentions that are being made here, that the
16 companies are separate and that VSA no longer controlled VIC
17 as of December 2007 when it distributed the stock to the
18 parent, Vitol Holdings SARL.

19 So we think, based on this and the inferences to be
20 drawn, that the alter ego has been established, and it renders
21 null and void the fifth and sixth contracts as well. And at a
22 minimum, if you're not convinced, Your Honor, based on this
23 evidence, we believe the Court would require a trial to
24 determine the alter ego issue.

25 And I apologize for going over my time.

1 THE COURT: So I have a question before we return to
2 Vitol's counsel. This admission, the unsealed, deferred
3 prosecution agreement, when was that unsealed?

4 MS. DALE: December -- hold on, Your Honor. I
5 apologize. It was unsealed on December 3rd, 2020.

6 THE COURT: Was that included in your papers on this
7 motion practice?

8 MS. DALE: Yes, ma'am. It was included in the
9 appendix to our reply, our reply dated March 12, 2021. And
10 it's exhibit -- hold on. I'm just trying to make sure I have
11 the right -- the deferred prosecution agreement, Your Honor,
12 is Exhibit One to our reply brief.

13 The information -- the information that was unsealed
14 is Exhibit Two to our reply brief. And the admission that I
15 quoted from about directing the ownership and control, VSA
16 directing ownership and control of VIC, is paragraph two of
17 the statement of facts attached to the deferred prosecution
18 agreement. It's at page 29 of 66 of the PDF.

19 THE COURT: Thank you. We will now return to Vitol's
20 counsel for five minutes.

21 MR. KELSO: Good morning, Your Honor. Michael Kelso,
22 with Susman Godfrey, for Vitol.

23 I'll start first with counsel's reference to the DPA
24 statement of facts. The statement in the DPA that Vitol SA
25 directly owns VIC until 2009 was an error. VSA transferred

1 | its ownership and debt to Vitol Holdings, SARL, on December
2 | 28th, 2007. And that's at paragraph 30 of our statement of
3 | facts.

4 | That's a documented, legally operative corporate
5 | event, and we put in undisputed evidence of that stock
6 | transfer at DX-30. PREPA admitted those facts at paragraph 30
7 | of its response to our statement of facts after a full
8 | opportunity for discovery, and those facts are undisputed for
9 | summary judgment.

10 | Nonetheless, after PREPA cited the statement in the
11 | DPA for the first time in their reply brief, VIC reached out
12 | to the Department of Justice --

13 | THE COURT: You have to slow down again. You have to
14 | slow down again.

15 | MR. KELSO: My apologies, Your Honor.

16 | Nonetheless, after PREPA cited this statement in the
17 | DPA for the first time in their reply brief, VIC reached out
18 | to the Department of Justice. And the DOJ has agreed that the
19 | statement about VSA's ownership in VIC is factually incorrect,
20 | and is the result of a mistaken submission, and should instead
21 | state that, quote, Vitol SA ceased direct ownership of Vitol,
22 | Inc., as of December 28th, 2007, exactly the date in our
23 | statement of facts that PREPA already admitted in this case.

24 | We just -- I'm sorry, Your Honor. Go ahead.

25 | THE COURT: Does that address the reference to

1 control from 2004 to 2009, as I heard Ms. Dale? Because I
2 don't have the document right in front of me. She said it's
3 an admission of ownership and control.

4 MR. KELSO: Yes, Your Honor. We believe it does
5 address that. And we just received this confirmation from the
6 DOJ the day before yesterday. So if the Court believes the
7 statement on the DPA is material, and we don't think it is
8 because of the undisputed summary judgment record, but we just
9 ask for the opportunity to supplement the record with the DOJ
10 statement about the correction.

11 THE COURT: Thank you.

12 MR. KELSO: Thank you, Your Honor.

13 But as to control, it's, frankly, more of a legal
14 conclusion, if anything, than a fact. And as the First
15 Circuit held in *Todd against Conair, Inc.*, (ph) a parent
16 exercising the control incident to ownership of a subsidiary
17 is insufficient as a matter of law to establish alter egos.
18 So it's -- the reference to control, frankly, doesn't
19 accomplish anything for them.

20 So two more points on Ms. Dale's argument. First,
21 she cited *CASCO Sales* with respect to alter ego. First,
22 Delaware law applies, not Puerto Rico law, so the point is
23 immaterial. But even so, *CASCO Sales*, like Delaware law,
24 requires a specific intent to evade Law 458 to find alter ego.
25 And you can find that at page four of the ECF of PREPA's

1 translation of *CASCO Sales*.

2 The Court is talking about the purpose of Law 458's
3 definition of juridical person, and it says, otherwise, a
4 corporation could use a subsidiary or a company as its --
5 actually, its alter ego, or simply change its name, quote,
6 with the sole purpose of circumventing the law.

7 Later, when it talks about the entity at issue, it
8 describes the line of inquiry as whether the entity was,
9 quote, a subterfuge --

10 (Sound played.)

11 MR. KELSO: -- that's to access of bidding
12 government tenders. So *CASCO Sales*, even if Puerto Rico law
13 applies, supports the same specific intent requirement.

14 As to the scope of conviction, Your Honor, just very
15 briefly, Ms. Dale described the offense -- defined the offense
16 as stealing someone else's property. Here that is not the
17 conduct alleged in the plea agreement.

18 The conduct alleged in the plea agreement is that VSA
19 paid its own money to the Iraqi Government in connection with
20 these oil transactions, and that just does not fall within the
21 definition of aggravated misappropriation under Puerto Rico
22 law, which, as we argued in Appendix 2 of our opening brief,
23 requires taking property of another.

24 So with that, Your Honor, I'll hand the baton over to
25 Mr. Kaplan.

1 THE COURT: Thank you.

2 MR. KAPLAN: Good morning, Your Honor. Alex Kaplan.

3 I just want to make one additional point that I was
4 unable to make on the remedy, which is on the repeal issue. I
5 think that issue, the remedies under the old civil code, 1257,
6 1258, is adequately covered in our brief, other than one
7 additional argument that PREPA made in its reply brief. And
8 this is the issue of, under the new code, if something is
9 sanctioned by a civil penalty or a deprivation of rights, then
10 the new code is more and benign provisions will prevail over
11 the old code's provisions.

12 There is no dispute that the new code provisions are
13 more benign, but what PREPA says is that where the new code
14 doesn't have a penalty, so, therefore, the old code applies.
15 Two points to that argument. First, it's a touch bizarre.
16 The fact that we're arguing that if the legislature reduced
17 the severity of a civil penalty, then the new code's more
18 benign provision applies, but if the legislature determined no
19 penalty is warranted, we still apply the harsh penalty of the
20 old code. I'm surprised -- Article 1807 says you apply the
21 more benign provision of the new code to conduct that both the
22 new code and the old code sanctioned with a civil penalty or
23 the causation -- or deprivation, depending on the translation
24 of rights --

25 (Sound played.)

1 MR. KAPLAN: And the new code here does indeed
2 provide for a deprivation of rights to contract nullification.
3 That's Article 341 at page 11 of our Appendix 5, which is Doc.
4 3737.

5 As a consequence, Your Honor, the only remedy PREPA
6 has sought in this case, the one way forfeiture of a
7 unilateral repossession, is not available under the old civil
8 code provisions. They've been repealed. That resolves the
9 case even before the Court gets to the constitutional
10 defenses.

11 Thank you, Your Honor.

12 THE COURT: Thank you.

13 And we're back to Ms. Dale for five minutes.
14 Ms. Dale, you have to unmute.

15 MS. DALE: Yes. Sorry.

16 Your Honor, first of all, we could only cite the
17 third prosecution agreement and the information in our reply
18 papers, because it was just unsealed in December of 2020. And
19 so we didn't have knowledge of it beforehand. That's number
20 one.

21 Number two, this recent decision by the DOJ, or
22 whomever has given them some indication that there was some
23 mistake, it's obviously the first time we've heard of it. And
24 if the Court deems it appropriate, we should perhaps take a
25 look at what they're saying.

1 I will note that in the deferred prosecution
2 agreement itself, it indicates that the parties will not
3 dispute the statements of fact that are included within the
4 deferred prosecution agreement. And so I -- you know, we
5 believe that there was still continued control, and here, that
6 implicated the fifth and the sixth contracts as well.

7 The issue of the -- we believe the grand larceny is
8 the same thing as aggravated misappropriation. I'm just --
9 I'm confused by the, you know, argument here. There is
10 misappropriation, because VSA bribed Iraqi officials to obtain
11 contracts for oil, thereby taking the money that did not --
12 taking money from the Iraqi people.

13 I mean, the District Attorney, in imposing the
14 restitution here, this is -- apologies. This is Exhibit 32 of
15 the Plea Agreement. In section B it says, the incentives to
16 be imposed in the case shall be reattribution of 13 million
17 dollars to the Iraqi people, because the bribes to the Iraqi
18 Government to obtain the oil is an injustice to the public
19 funds of Iraq.

20 So, I mean, if they've misappropriated the contracts
21 and paid money to obtain something they shouldn't have
22 obtained in the first place, that's the larceny. It's the
23 same thing as aggravated misappropriation.

24 In terms of the -- in terms of the remedy, Your
25 Honor, we believe that Law 458 provides for automatic

1 rescission and provides PREPA the right to seek --

2 (Sound played.)

3 MS. DALE: -- this return of all of the money that's
4 paid. And this, again, is to advance the public policy of Law
5 458. I'm reading from a decision in the Supreme Court of
6 Puerto Rico, *Municipality of Quebradillas versus Corporacion*
7 *de Salud de Lares*, 180 D.P.R. 1003, Your Honor, 2011. It is
8 not under Law 458, admittedly, but it talks about the
9 importance of the public funds and the public contracting.

10 And here there's a quote. It says, if the
11 municipality disbursed public funds improperly through a null
12 and void contract, it has the right to recover them. If we
13 were to conclude otherwise, we would be leaving public funds
14 in private hands where they do not belong. And that is the
15 point of Law 458, and we disagree.

16 We believe that we have, in the complaints from 2009
17 and 2012, included the remedies in the first cause of action
18 in the Complaint in 2009. It's for Law 458 violation, and the
19 remedies that are appropriate thereto. In the second cause of
20 action in the 2009 complaint, it was for illicit consideration
21 or deceit, and the remedies available under section 1257 and
22 1258.

23 In the 2012 complaint, Your Honor, which relates to
24 the first four contracts, the first cause of action -- the
25 first and second causes of action are relating to Law 458.

1 The third cause of action is for restitution because of
2 illegalities. The fourth cause of action is the remedy for
3 return of the money. And the eighth cause of action is for
4 nullification of the contracts due to deceit, and the remedies
5 that are available thereto.

6 (Sound played.)

7 THE COURT: Thank you, Ms. Dale.

8 So I thank you, Counsel, for these arguments. I will
9 take the motion under submission.

10 Mr. Kelso, file whatever it is you received from the
11 DOJ promptly as a supplement.

12 Counsel, you can meet and confer as to whether any
13 additional brief submissions are appropriate in connection
14 with that point.

15 MR. KELSO: We will, Your Honor.

16 THE COURT: All right. Thank you. Thank you all.

17 MR. KAPLAN: Thank you, Your Honor.

18 THE COURT: The next matter on the calendar is an
19 oral argument on the Hernandez Montanez preliminary injunction
20 motion in Adversary Proceeding No. 2100042.

21 We will take a ten-minute break before beginning that
22 argument, which is scheduled for 70 minutes. So would
23 everyone kindly disconnect now from Court Solutions and AT&T,
24 and reconnect to be ready to proceed in ten minutes, at 11
25 minutes past 11:00 AM.

1 Thank you very much.

2 (At 10:58 AM, recess taken.)

3 (At 11:18 AM, proceedings reconvened.)

4 THE COURT: Good morning. Judge Swain here again.

5 Ms. Ng, is everyone ready?

6 MS. NG: Good afternoon, Judge. It's Lisa Ng. Yes,
7 everybody is here.

8 THE COURT: Thank you very much.

9 We are now ready for Agenda Item IV, oral argument on
10 the preliminary injunction motion in the *Hernandez Montanez v.*
11 *Pierluisi Urrutia, et al.*, Adversary Proceeding No. 21-00042.

12 We will begin with argument for the movant and
13 plaintiff, for which 25 minutes have been allotted, by
14 Mr. Martinez Luciano and Mr. Rodriguez Escudero.

15 MR. MARTINEZ LUCIANO: Good morning. My name is
16 Jorge Martinez Luciano. I represent the plaintiff, the
17 Honorable Rafael Hernandez Montanez, as Speaker of the Puerto
18 Rico House of Representatives, along with Mr. Rodriguez
19 Escudero. We would like to set aside five minutes for
20 rebuttal, if it pleases the Court.

21 THE COURT: The order of speaking that I had was 25
22 minutes for the two of you, then AAFAF, and the Oversight
23 Board, and then returning to you for ten minutes. So --

24 MR. MARTINEZ LUCIANO: That's right. I'm seeing
25 that, Your Honor, so sorry about that. We have plenty of time

1 for rebuttal. Sorry about that.

2 THE COURT: Okay. Very good.

3 MR. MARTINEZ LUCIANO: Your Honor, also -- Your
4 Honor, this is a very straight forward case and discrete legal
5 issue that has no underlying factual disputes. The question
6 is simple: Is it possible to amend or reprogram funds within
7 a budget of a covered entity that was approved under section
8 202 of PROMESA without following the restrictions in Section
9 204(c) of PROMESA? The short answer is no.

10 As to why is the plaintiff in this case, well, in
11 attempting to readjust the 2020-2021 budget approved by the
12 Board last summer, the legislature, the legislative branch was
13 deprived of the role that it has under section 204(c). As a
14 matter of fact, that section is very aptly titled,
15 Restrictions on Budgetary Readjustments.

16 It has no exceptions. It covers every single
17 budgetary readjustment. And in subsection one of that
18 statute, it says that the Governor is required to submit or to
19 request the legislature, is what it says there, for the
20 reprogramming of funds, which activates a duty on the Board's
21 part to assess that requested readjustment.

22 And this has been done numerous times since we have
23 been operating under section 202. I believe we are into the
24 fourth or fifth fiscal year that the budget has been prepared
25 as per section 202 of PROMESA.

1 The Board has to certify that the funds that are
2 being requested to be readjusted are compliant with the fiscal
3 plan, and then the matter is remanded to the legislature. As
4 a matter of fact, the next subsection, subsection two, clearly
5 states that the legislature shall not adopt a reprogramming
6 unless the Board has certified that the reprogramming is
7 compliant. Therefore, the role that the legislature has is
8 very clear, to adopt reprogrammings.

9 We have had numerous reprogramming requests, but this
10 one is very particular because this one pertains to a
11 proceeding, a special legislative proceeding that was enacted
12 almost five months after the budget had been approved, on
13 December 30, 2020, just a day or two days before the previous
14 legislative assembly's term ran out. And it provides for a
15 special election to select -- a congressional delegation is
16 what they call it.

17 It's actually people who have unspecified --
18 specified duties of promoting statehood in Washington, D.C.,
19 that are to be elected on May 16, 2021. But notwithstanding
20 the fact that it is well-known that elections cost money, no
21 reprogramming request was made at the time. And it was not
22 until February that the Governor of Puerto Rico -- and this is
23 a May proceeding -- the Governor of Puerto Rico started the
24 process of seeking a reprogramming of the funds, as per
25 Exhibit One of the Complaint, which is the April 13, 2021,

1 resolution adopted by the Board.

2 The Board found that the request was submitted, a
3 compliance request was submitted to the Board on March 26,
4 2021, which is less than two months before the election. The
5 Board evaluated, assessed, very carefully, very -- pondered, I
6 have no doubt that they were -- that they did their job, and
7 they certified that 1.85 million dollars could be readjusted
8 from the budget to fund the election. But they, as they state
9 in their resolution, pursuant to PROMESA, submitted that to
10 the legislature, which submitted the matter to the floor of
11 the Puerto Rico House of Representatives as Joint Resolution
12 100. And it was voted down. It was not approved.

13 Once the matter goes back, that should have either
14 ended the issue, because section 204(c) is different from 202.
15 Section 202 provides that if the legislature and the Governor
16 are unable to approve a compliant budget, the Board imposes
17 its own budget. And that has happened several times.

18 There is no similar provision in 204, and the
19 provision in 202 does not mention readjustments. Whether or
20 not that cedes through 204 and the Board has the authority to
21 resolve an impasse, like the one that we had with the funding
22 for the special election, is unresolved. It is our position
23 that it does not. But even if it did, the Board did not
24 resolve the impasse.

25 What the Board did in the April 13, 2021, resolution

1 is that it said, well, the Governor and legislature are at
2 odds over this, so we resolve -- and this is at page two of
3 the resolution, the next to last paragraph. The Board desires
4 to allow the Commonwealth Government to adopt or not to adopt
5 the proposed revised budget in the same as would occur absent
6 PROMESA.

7 So it seems that -- or it's quite explicit that the
8 Board is saying that this matter is going to be brought
9 outside the scope of PROMESA. There is no citation to PROMESA
10 or to any legal authority allowing the Board to, in the face
11 of a controversial readjustment, simply remove that
12 readjustment from the rigors of 204(c), to the restrictions
13 that Congress put in there for the restructuring of the
14 budget.

15 As a matter of fact, the Board's position in this
16 case, as per their opposition, seems to be that this is a
17 controversy solely between the executive and legislative
18 branches that it was proper for them to keep out, because it
19 was controversial. Again, there is no basis in the law for
20 finding this.

21 But looking at Exhibit 22, which was submitted at
22 docket 18 by the Board, it's an April 16, 2021, letter from
23 Omar Marrero Diaz of AAFAF to the executive director of the
24 Board. It's referencing the April 14th letter, which in turn
25 delivered the April 13th resolution that we were just

1 referring to.

2 And it says here that, in light of your
3 communication, referring to that resolution, we hereby inform
4 you that the Governor of Puerto Rico, according to his
5 ministerial duties and his oath of office to defend and
6 implement the Constitution and the Laws of Puerto Rico, has
7 authorized the disbursement of approximately 1.85 million
8 dollars to fund the special election required by Act 167-2020.

9 To that effect, the Office of Management, it goes on
10 to mention how the process is carried out, but it is very
11 clear that the Governor acted outside of PROMESA, under Puerto
12 Rico law, which is completely preempted as per Section 4 of
13 PROMESA. There is not a single exception to PROMESA
14 preemption, not one in the law.

15 And the statutory authority that the Governor invoked
16 is preempted by section 204(c). That is the only way in which
17 a budget of a covered territorial entity may be amended. So,
18 therefore, the Board's resolution was taken as an
19 authorization by the Governor, and by the members of the
20 executive branch of Puerto Rico, to indeed step outside
21 PROMESA and do a -- it pretty much seems to be similar to them
22 having found an oasis in the desert that is PROMESA. And for
23 this matter, we are relieved of PROMESA and we're doing it
24 under Puerto Rico law.

25 Again, after extensive briefing from all defendants,

1 they have been utterly unable to point to a single provision
2 in PROMESA, or any of the interpreted decisions that have been
3 handed out by Your Honor, and by the First Circuit, that
4 allows PROMESA to turn off -- to be turned off and on like
5 that. Therefore, the only nail on which they can try to hang
6 their hat on is section 402 of PROMESA, which is a very
7 straight forward assertion that nothing in the statute shall
8 be construed to affect the people of Puerto Rico's rights to
9 determine their future political status.

10 It does not create an extension to PROMESA. It is a
11 rule of statutory construction. It is there clearly to say
12 that, because Puerto Rico has a humongous debt that is part --
13 that is now being reorganized under the largest bankruptcy
14 proceeding probably ever in history, that does not mean that
15 deciding Puerto Rico's future political status is going to be
16 relegated to an unimportant -- or be relegated to a less
17 important matter.

18 It remains an important issue. And you cannot fail
19 to fund proceedings or to hold proceedings to decide the
20 status, such as a plebiscite. These are the classical devices
21 that are used for the people to be heard on the matter of
22 status. We had one on November 3rd. It was the sixth one
23 that we have had since 1967, when we had the first one. And
24 no one objected to that, to funds being assigned to that
25 plebiscite. They weren't even allowed an unopposed

1 readjustment of the budget to assign additional funds for that
2 plebiscite.

3 But this is not what Law 167 is. Law 167 is not a
4 plebiscite to decide status. Law 167 is a special election to
5 select six people who are going to be paid a government salary
6 to advocate for one specific status option.

7 The people of Puerto Rico are deciding nothing on
8 November 16th other than the names of the people who are going
9 to represent statehood under a law that provides undefined
10 responsibilities in Congress that these people have to do.

11 So it is clearly not what Congress had in mind. And
12 in our reply brief, we cite to the report that was rendered by
13 the House Committee on Natural Resources, presided at the time
14 by Representative Bishop of Utah.

15 And speaking of section 402, what the Committee says
16 is that the section maintains the right for Puerto Rico to
17 conduct a plebiscite to determine its future political status.
18 Nothing more is said. It is specifically addressed as the
19 right to conduct plebiscites, which is not what Law 167 is.

20 Moreover, we cite that same report in which Resident
21 Commissioner General Pedro Pierluisi Urrutia, who happens to
22 be the Governor of Puerto Rico at the present time, but he was
23 our representative in Congress when PROMESA -- when the
24 PROMESA Bill was being considered, declared himself the author
25 of section 402, and gave an extensive speech on his views

1 regarding political status. But the only thing that he
2 mentions regarding the scope of section 403 is that -- and I'm
3 quoting him, it is my hope and expectation that in 2017 the
4 Puerto Rico Government will use this authority to conduct a
5 federally sponsored yes-or-no plebiscite on whether Puerto
6 Rico should be admitted as a state. In the admitted term,
7 there is much that Puerto Rico law and the Governor should
8 be -- should do to help manage its economic crisis, including,
9 most urgently, swiftly enacting PROMESA.

10 So even Governor Pedro Pierluisi, when he had a seat
11 at the table when they were considering the bill, the only
12 events that he mentioned in connection with section 402, which
13 he authored -- or it's an amendment that he proposed, was that
14 under that section, we should have a plebiscite that is
15 sponsored by Congress.

16 So to expand the scope of 402 to anything that may be
17 labeled, and this is a very subjective label, as related to
18 political status, simply creates a back door to PROMESA. All
19 one has to do is say that I need to readjust the budget a
20 hundred million dollars, because I want to pay a lobbying firm
21 to lobby for statehood. And if the Board says, well, that is
22 not consistent with the fiscal plan, of course the legislature
23 probably will not approve it, the Governor may invoke section
24 403 and say, well, this is not within the purview of PROMESA.

25 He would make a mockery of section 202 if a compliant

1 budget that has gone through the very, very specific and
2 adversarial process to enact the budget that section 202
3 provides, could be amended at will by the Government of Puerto
4 Rico by simply invoking political status.

5 And indeed, the law -- the status -- 402, section 402
6 does not provide, again, for the law not to apply. It
7 provides for a rule of construction, like, for instance, how
8 employment discrimination statutes are construed in the light
9 more favorable to the employee.

10 Well, PROMESA should be construed in the light more
11 favorable of the people of Puerto Rico -- the people of Puerto
12 Rico's right to decide their future political status. But
13 that cannot be as subjective as plaintiff put it, that it --
14 we say that a law that was enacted at the very last instance
15 in which that legislature was serving, and a new majority was
16 coming in, that provides for a scheme to -- they say implement
17 the result of a plebiscite.

18 And it is very important to note that, at least
19 publicly, less -- more so than in the pleadings in this case,
20 defendants have tried to cast the Law 167 special election as
21 something that is bootstrapped to the November -- or the
22 results to the November 3rd, 2020, plebiscite, but that is not
23 true. That plebiscite was held under section -- under Law
24 51-2020, enacted in the summer of 2020.

25 And that law provides its own mechanism to implement

1 a result in favor of statehood, which indeed has not been
2 followed. Article 4.3 of that law says, what happens if
3 statehood wins, then the Resident Commissioner of Puerto Rico
4 needs to do some things, and the Governor needs to do other
5 things.

6 So this is something that the voters never had on the
7 plate when they cast their ballots in the plebiscite of
8 November 2020. This is something that came after. This is
9 something that came after the results of the plebiscite and
10 the general election were known.

11 So it is our position that this is not something that
12 is within the scope and the purview of section 402. And if it
13 were, section 402 still does not allow for any provision of
14 PROMESA to be cast aside.

15 As a matter of fact, if Congress wanted budgets to be
16 drafted and amended, with exceptions, one would have thought
17 that the exceptions would be either in section 202, which
18 deals with creating the budget, or section 204(c), which deals
19 with amending and reassigning expenses within the budget, not
20 be cryptically hidden in section 402 for someone's subjective
21 interpretation of what interference with Puerto Rico's right
22 to determine its future political status even means.

23 Going back to the arguments again, the Board's main
24 argument in opposition is that it did nothing to readjust,
25 that it merely kept out of this. Well, on the face of the

1 resolution, and from the -- and of the Exhibit 22 that the
2 Board self-submitted, it is clear that the Government of
3 Puerto Rico took this as an authorization to amend the budget
4 outside PROMESA.

5 And as to the contentions raised by the second branch
6 defendants, pretty much they argue that we don't have a
7 legitimate cause of action, because the Board may ultimately
8 decide what happens with the budget. And they cite to section
9 202(f), which indeed allows the Board to impose a budget if
10 the legislature and the Governor are unable to approve a
11 complying budget. But, again, as we previously discussed,
12 that section doesn't roll over into section 204(c). And if it
13 did, it doesn't matter, because that is not what happened
14 here.

15 What happened here is that the Board decided nothing.
16 So if the Board is the ultimate decision maker, then by
17 defendants' own arguments, it is the Board who should decide
18 whether or not the amendment to the budget is proper or not,
19 which is different from what it already did, which is to
20 certify that it is not contrary to the fiscal plan, that it is
21 compliant with the fiscal plan.

22 The other argument that they raise is that there are
23 public interest considerations involving the possible issuance
24 of -- and great hardship to the people of Puerto Rico, they
25 say, if the injunction that we request is granted, because we

1 would be stopping an election. Well, that has to be put in
2 context.

3 We are not stopping a general election set forth by
4 the Constitution. This is not a plebiscite. This is not a
5 referendum on a constitutional amendment. This is an election
6 that was called for without any funds on December 30th, and
7 for which funds were not properly requested until late March.

8 So that argument seems to me to be an argument like,
9 take pity on the -- killing not -- one parent, and then asking
10 for pity, because one is an orphan. It is their own doing
11 that they are funding this -- that this is happening so
12 quickly.

13 And we could have not filed this action before,
14 because it was not until April 16th that the Governor decided
15 to go outside PROMESA. So this is not -- there are no
16 government vacancies, no public office positions that need to
17 be filled that would be left open if this election is not
18 held. And in the balance of the hardships, PROMESA provides a
19 specific, categorical role for the legislature. The
20 legislature adopts amendments once they have been proposed by
21 the Governor and certified by the Board. And the legislature
22 has been left out of the equation, so it suffers irreparable
23 injury that can only be repaired by an injunction.

24 So if the Court has any questions, I'm happy to
25 answer.

1 THE COURT: I do have a question as to the language
2 of 204(c). 204(c)(1) begins, if the Governor submits a
3 request to the legislature, the Governor has to make a
4 submission to the Oversight Board for analysis. Then
5 subparagraph 2 says that, the legislature shall not adopt the
6 reprogramming, and a reprogramming shall not be carried out
7 unless the Oversight Board has provided the certification.

8 I have difficulty seeing on the face of this
9 statutory provision a hard requirement that all such requests
10 go to the legislature, or anything saying that the legislature
11 has exclusive authority and the last word over every
12 reprogramming. It seems to me that it requires an Oversight
13 Board certification in regard to every proposed reprogramming,
14 and that the legislature and the Oversight Board -- I'm sorry.
15 The legislature and the Governor are not entitled to carry out
16 a reprogramming unless the Oversight Board has provided the
17 certification to the legislature.

18 It doesn't seem to be an affirmative grant of the
19 legislature -- of power to the legislature, or a prescription
20 of the way the legislature has to work in the process. Would
21 you comment further and show me where you're finding --

22 MR. MARTINEZ LUCIANO: Yes. Yes, Your Honor.

23 Subsection (c)(2) provides -- first of all, the
24 Governor does not appear in that subsection. He has no role.
25 In that subsection, he's not even mentioned. And it does use

1 the words, the legislature shall not adopt. Adopting, when
2 referring to a legislative body, obviously refers to taking a
3 vote.

4 There is no other device within section 204, or 202,
5 also, and we have not been able to find in PROMESA any other
6 mechanism for readjustments other than those provided by
7 section 204(c). And under those, the legislature is mentioned
8 as the entity that receives the Governor's request for
9 amendment. And in subsection one, the Board submits its
10 analysis not to the Governor, who requested the readjustment,
11 but it submits its analysis to the legislature.

12 If the legislature has no authority to act on the
13 request once it has been certified and analyzed by the Board,
14 Congress would have not required, mandated specifically
15 subsection one, for the Board to submit its analysis to the
16 legislature, if the legislature is merely there to be cc'd on
17 what is going on, to merely have knowledge of what is going
18 on.

19 But if it was possible for either the Governor to
20 amend a budget that is compliant with PROMESA and was approved
21 under section 202 by himself, or even the Board, amend that
22 budget by itself, the projections and --

23 (Sound played.)

24 MR. MARTINEZ LUCIANO: May we finish that thought,
25 Your Honor?

1 THE COURT: Yes, please.

2 MR. MARTINEZ LUCIANO: I wish Congress had been more
3 specific, but Congress, what Congress does mention sets a
4 restriction as to how the budget may be amended. Amended --
5 it provides that the Governor requests the amendments, the
6 Board analyzes and certifies, and it says that the legislature
7 adopts. That is all we have to go on.

8 Thank you, Your Honor.

9 THE COURT: Thank you very much.

10 And now we will hear from Mr. Friedman for AAFAF for
11 20 minutes.

12 Mr. Friedman, you need to unmute on both the computer
13 and the phone. Mr. Friedman, I'm still not hearing you, so
14 please unmute on both the computer and your phone.

15 Ms. Ng, can you see whether Mr. Friedman is muted on
16 the dashboard?

17 MS. NG: I unmuted him.

18 THE COURT: Mr. Friedman?

19 MR. FRIEDMAN: Yes.

20 THE COURT: I can hear you now.

21 MR. FRIEDMAN: Thank you, Ms. Ng. I appreciate it.

22 Good morning, Your Honor.

23 THE COURT: Mr. Friedman? Mr. Friedman, I can't hear
24 you again.

25 MR. FRIEDMAN: Your Honor? Can you hear me, Your

1 Honor?

2 THE COURT: Now I hear you.

3 MR. FRIEDMAN: Thank you, Ms. Ng, and thank you, Your
4 Honor. It's Peter Friedman on behalf of the executive branch
5 defendants.

6 Your Honor, there's no likelihood of success on the
7 merits here, and the preliminary injunction should be denied.
8 It turns on the statute, which has to be read comprehensively,
9 which we propose. We have purported numerous statutory canons
10 of interpretation that plaintiff just simply has not responded
11 to. And, again, in the second, and third, and fourth prongs,
12 with respect to balance of harms, we believe it tips sharply
13 in our favor.

14 There's a declaration that lays out the harms, and
15 we've pointed out in our brief that there is a real lack of a
16 harm to the legislature. For plaintiffs to win, they have to
17 show that the Speaker of the legislature has a right under
18 PROMESA to stop the government from spending money. And I
19 think we've established in our papers that's not how PROMESA
20 works. That's a Board responsibility. And they've pointed to
21 nothing in PROMESA that gives the legislature the right to
22 tell the Board what to do.

23 We're getting in a situation where the Board has
24 declined to take an affirmative action, and there's nothing in
25 PROMESA that says the legislature gets to tell the Board that

1 it has to act. Imagine there was -- and the Board's greater
2 power to approve budget amendments and reprogramming includes
3 the lesser power, particularly when combined with 402, to
4 defer to state law on what to certify and what to permit.

5 So imagine for a moment that the legislature did have
6 an ability to invoke PROMESA and tell the Board what to do.
7 It couldn't here, because of PROMESA section 402. Section 402
8 modifies every part of PROMESA, including, I think,
9 importantly, section 4 of PROMESA, the preemptive clause.
10 Nothing is excepted from it, and that includes the preemption
11 clause.

12 To understand 402's application here, we have to
13 answer two fundamental questions: First, does 402 apply to
14 Act 167; and secondly, if so, what effect does 402 have on the
15 rest of PROMESA? Does 402 cover this dispute?

16 So the first issue we have to dispense with is what
17 does -- are only plebiscites covered? And I think that is a
18 contention that's obviously no, because the section uses the
19 word "including". And as we demonstrated, and there's been no
20 rebuttal to, "including" is a word with broad scope.
21 Including, when Congress uses the word "include," the plain
22 meaning of the statute is meant to mean includes, but is not
23 limited to the enumerated item.

24 And "include" is plain on its face. There's no
25 reason for me to go to legislative history, because of the

1 well-known doctrine about how to interpret the word "include".
2 In other words, the legislative history doesn't help. It
3 focuses on one example, but it doesn't exclude anything else.

4 So once we know that -- and plaintiff's reading
5 renders the word "includes" superfluous, which -- as it does
6 all of 402 really. And we've cited cases, and the Court is
7 well familiar with the statutory canons of insuperfluity and
8 meaninglessness.

9 So then the question is does Act 167 relate to Puerto
10 Rico's ability to determine its future political status. The
11 answer to that is obviously yes. You can look at the
12 statement of motives. We know that it filed a plebiscite. We
13 know that in order to take the next step in determining its
14 status, consistent with the next plebiscite, that Congress has
15 to be addressed, because under the United States Constitution
16 -- only Congress can decide whether to admit Puerto Rico as a
17 state.

18 And Act 167 provides, and it's consistent with what
19 Puerto Rico has done after past plebiscites favoring
20 statehood, so we think that there is no dispute, no meaningful
21 dispute. It's not that there's not a subjective issue on
22 which the Court can determine, but Act 167 relates to status.

23 And so to them, the question becomes, well, what is
24 402 supposed to mean? Plaintiff says in its papers that the
25 fact that PROMESA demands fiscal prudence and responsibility

1 is not meant to stall or otherwise dissuade Puerto Rico from
2 seeking a resolution to its status. And plaintiff said
3 something very similar to that argument before, but we
4 wholeheartedly agree with that. But plaintiff's reading of
5 PROMESA would allow the Board to entirely prohibit even
6 fiscally responsible for status-related issues, and if that
7 were true, plaintiff's statement would be meaningless, and,
8 even worse, so would section 402.

9 So what does 402 do, and is it really a gigantic
10 loophole for PROMESA? And the answer to that is no, as we
11 articulate on pages 14 and 15 of our brief.

12 What 402 does is it says the Board can't use its
13 powers to restrict status determination. That doesn't mean
14 that section 202 doesn't necessarily have any application,
15 right. And let me give you an example.

16 Suppose Act 167 said, elect a congressional
17 delegation. That was one part of it. And the second part
18 was, and fly the delegation to Washington, D.C., every week,
19 each member on their own Gulfstream, and stay at the Hay-Adams
20 in the presidential suite, and you should spend 75 million
21 dollars for that.

22 Well, one part of that statute would relate to
23 status, the first part, and the Court could determine on its
24 face whether Act 167 involves status. But the second part
25 wouldn't really relate to status, because the Court could

1 reasonably conclude, or the Board could reasonably conclude
2 that going to Washington on a Gulfstream, or spending the
3 night at Hay-Adams, doesn't involve status. And under 202, or
4 204, or even 108, I suppose, the Board could exercise all of
5 its powers to say, hey, wait a minute; you can't do that;
6 spend an appropriate amount; spend an amount consistent with
7 past practice, and our budget, and our fiscal plan.

8 By the way, Your Honor, it is important to say that
9 when the Board received a certification of Act 167, that Act
10 167 was consistent with -- or not significantly inconsistent
11 with its fiscal plan, the Board didn't object. And I think
12 the Court knows well, the Board is not shy about objecting at
13 all when it feels that a newly passed statute is inconsistent
14 or significantly inconsistent with the fiscal plan.

15 So I think the interpretation of Act 167 I just
16 proposed -- I'm sorry, PROMESA section 402 that I just
17 proposed does create a harmonious interaction of all sections
18 of PROMESA, which is really the highest obligation of a court,
19 which is to look at statutes and figure how to give each
20 effect meaning. And that's the canon of harmoniousness. We
21 started cases on that and -- plaintiff really doesn't have any
22 response to that. Again, plaintiffs conception of 402, while
23 on the one hand saying PROMESA shouldn't be interpreted for
24 status determinations really would give the Board that
25 absolute right.

1 Your Honor, we talked in our papers about the
2 comparison between section 2 -- 303 of PROMESA and 402 of
3 PROMESA, and I think it's quite powerful in explaining how
4 broad the scope of 402 is. Argues if actually the Board is
5 obligated to fund under -- because of 402, because there's a
6 valid law under Puerto Rico law, but I don't think we actually
7 need to prove that. But at a minimum, we think -- and, again,
8 highlighting 303, the difference in 303 which caused our acts
9 -- Titles One and Two, from its restrictions on limitations of
10 the government. We think at a minimum, it means the Board is
11 appropriately making a decision to stay out of this issue.
12 And once it's determined that the Board can stay out of this
13 issue, and that 202 and 204 don't provide a rule of decisions
14 here, that leaves this matter to be really appropriately
15 determined in the state court.

16 Plaintiff has not argued that the Governor can't take
17 these actions under state law, and that would be a wholly
18 Puerto Rico issue if what I've seen is correct, or the Board's
19 general powers under 202 and 204 permit it to do what it's
20 done. So I think this Court obviously has had many awesome
21 responsibilities with respect to determining the future of
22 Puerto Rico as a whole. There's an appropriate mechanism here
23 for this Court not to have to take on this responsibility. If
24 it denies the PI and a temporary restraining order, plaintiff
25 has every right to go to state court and try to prove its

1 case.

2 This is one issue I think the Court doesn't actually
3 have to decide or take on.

4 THE COURT: Now, will you circle back to plaintiff's
5 interpretation of 204(c)? Because, as I understand the
6 plaintiff, the legislature is arguing that 204(c) changes and
7 supersedes, due to the preemption clause, the ordinary
8 reprogramming authority mechanism of Puerto Rico law, and
9 gives the legislature the sole authority to approve, adopt, or
10 refuse a reprogramming as to the certification by the FOMB.
11 So that would imply that there would be no Puerto Rico law
12 mechanism fall back, and that the Court --

13 MR. FRIEDMAN: Your Honor.

14 THE COURT: -- could remove PROMESA essentially?

15 MR. FRIEDMAN: It's a two punch, Your Honor. The
16 first thing, I think when you read preemption, I think
17 preemption has to be modified by section 402. So I think
18 that's the first response. The second response is we don't
19 believe that the legislature essentially has a veto power over
20 reprogramming. That would be inconsistent with PROMESA as a
21 whole, which is designed and really gives the Board the power
22 to restrain spending, so that the Board is clearly permitted
23 to approve a reprogramming, even if the legislature says no.

24 As between the Governor and the legislature, the
25 legislature has an opportunity to be heard. The legislature

1 has the chance and the right to make its opinion known. If
2 the Board wishes to step outside of the context of approving a
3 particular reprogramming, the Board can, you know, I guess in
4 some respects delegate that right to the government and the
5 legislature. But I think the Board always retains the right
6 to make an ultimate determination as to what's appropriate for
7 a reprogramming, unfettered by either the government or the
8 legislature in terms of the Board's power to make budgetary
9 adjustments as it sees fit.

10 I don't particularly like that, but I think that's
11 the right way to understand PROMESA as a whole. So giving any
12 Puerto Rican entity a unilateral right to force the Board to
13 not spend or to spend might be inconsistent with 204, and 202,
14 and 203, and 108.

15 THE COURT: Thank you.

16 MR. FRIEDMAN: So, Your Honor, I think the -- one of
17 the other points I wanted to make is our view of PROMESA and
18 402 is not only harmonious, but it's really content neutral,
19 right? We think that this would apply to any statute on
20 status. In fact, we think that's a natural reading for Puerto
21 Rico to take, and, frankly, plaintiff's motivating view of 402
22 is motivated reasoning.

23 We believe 402 hypothetically would cover a future
24 legislature that would decide to repeal Act 167. The Board
25 couldn't revoke its 108 powers, because of 402. If they

1 wanted the budget to have a different direction, we don't
2 think the Board could necessarily reject that if it was -- if
3 a new statute was passed to do that. So we think this is
4 supposed to be content neutral, and that 402 is supposed to be
5 very permissible, financially responsible decisions.

6 I want to make a point about plaintiff's repetitive
7 invocation of the fact that the statute was passed at the very
8 end of the last legislative session. Maybe they refer to it
9 as a buzzer-beater or -- I don't know if Your Honor is a
10 basketball fan. I am. Basketball history would be radically
11 different if buzzer beaters didn't count.

12 Like Houston wouldn't be a 1983 NCAA championship
13 because Lorenzo Charles' shots wouldn't have counted.
14 Christian Layhill wouldn't be --

15 THE COURT: You're going to lose me on sports here,
16 but I get your point.

17 MR. FRIEDMAN: Buzzer-beaters count, Your Honor. So
18 the fact that the plaintiff doesn't like the buzzer beater and
19 couldn't override the buzzer-beater is of no moment at all.

20 There is no public interest at all to overriding a
21 validly enacted statute simply because plaintiff doesn't like
22 the manner in which it was passed. If counsel had it passed
23 and enacted on the first day of the legislative sessions -- I
24 think that's an argument of no moment.

25 When we talk about harm, there are three other

1 factors that need to be addressed in the context of any
2 preliminary injunction. They show no irreparable harm at all.
3 Plaintiff says this isn't about an election, but an
4 expenditure of money. If that's true, of course, A, money is
5 generally not irreparable harm. And, B, I don't think the
6 plaintiffs can be harmed specifically, because it doesn't
7 decide where the money is spent.

8 It could not tell the Board, don't spend this money
9 somewhere else. That right had been taken away under PROMESA.
10 So I don't think that can constitute irreparable harm to them.

11 With respect to the second and third, they literally
12 say in their briefs they don't want to dwell on some of the
13 most important factors in dealing with the issuance of a
14 preliminary injunction. It appeared balance of hardship and
15 the public interest fit together well, and we submitted a
16 declaration, as -- plaintiff for some reason referred to as
17 unsworn, but, in fact, it was properly attested to under the
18 U.S. Code. So it's completely a sworn declaration and meaning
19 -- under Federal Law. It was submitted under penalty of
20 perjury.

21 Puerto Rico has publicized an election. It's done
22 work to get it held, worked for means -- cutting off funding,
23 that would derail the election. That hurts both defendants
24 and the public. Frankly, it hurts all politicians to have
25 elections canceled. You almost don't need facts on that. I

1 think the cases we've cited are so powerful, the nature of the
2 election, the fact that's it's not for a vacant office, I
3 don't think it matters. Public participation, civil
4 participation, elections are important. They have
5 consequences.

6 This has been scheduled, and it's very disruptive of
7 the public good and civil engagement for an election to be
8 postponed, date changed, and canceled. We've cited, as I
9 said, many cases on that point.

10 Your Honor, that's all I have, unless the Court has
11 any other questions. Just to, you know, summarize, I think if
12 you evaluate how to best give all sections of PROMESA meaning,
13 I think the interpretation you interposed under 402 is
14 reasonable. It's modest.

15 The cost here is minimal. It involved a statute
16 that's -- on its face, it involves political status
17 determination, and the level of harm here is sharply in our
18 favor, particularly at this stage of injunctive relief.

19 Thank you, Your Honor. That's all I have.

20 THE COURT: Thank you, Mr. Friedman.

21 And now we will hear from Mr. Mungovan, who has been
22 allotted 15 minutes to speak on behalf of the Oversight
23 Board.

24 MR. MUNGOVAN: Good afternoon, Your Honor. May it
25 please the Court, this is Timothy Mungovan appearing on behalf

1 of the Board. May I proceed?

2 THE COURT: Yes. Good afternoon.

3 MR. MUNGOVAN: Thank you.

4 At the outset, Your Honor, I would like to make three
5 basic points: First, the motion for TRO and preliminary
6 injunction should be denied as to the Oversight Board; second,
7 the Oversight Board has strived earnestly to take no position
8 on Puerto Rico's future political status, and has endeavored
9 not to restrict Puerto Rico's right to determine its future
10 political status as demonstrated in the record before the
11 Court; and, third, this matter should be resolved under Puerto
12 Rico law.

13 If the government has the authority to reprogram the
14 funds for Act 167 under Puerto Rico law, then the Board will
15 not object to the reprogramming under PROMESA. If the
16 government did not have the authority to reprogram the funds
17 for Act 167 under Puerto Rico law, then the Board may take
18 action under PROMESA, including pursuant to section 204(c).

19 THE COURT: So, I'm sure you're going to elaborate on
20 that point --

21 MR. MUNGOVAN: Yes.

22 THE COURT: -- but let me just ask you preliminarily,
23 I've been trying to understand what this deference to Puerto
24 Rico law means to the Oversight Board.

25 Mr. Mungovan, so is the Board saying that it will

1 | exercise its power to approve or not approve by reference to
2 | what would otherwise happen under Puerto Rico law,
3 | notwithstanding PROMESA? Is it saying that the budgetary
4 | programming provisions of Puerto Rico law are not otherwise
5 | preempted by PROMESA in this regard, or does section 402 allow
6 | the Board discretionarily to pull back the PROMESA blanket in
7 | a sudden way when it determines that section 402 is
8 | implicated?

9 | I think that's the best way I can articulate the
10 | three scenarios that seem possible to me.

11 | MR. MUNGOVAN: I understand, Your Honor. Let me try
12 | to answer all three questions this way. So from the Board's
13 | perspective, section 402 limits everyone's powers, including
14 | the Court's, respectfully, to interpret PROMESA to restrict
15 | Puerto Rico's right to determine its future political status.

16 | And what that means here is that the Board's
17 | determination of whether to approve a budget item for the
18 | elections does not necessarily turn on whether it's consistent
19 | with the fiscal plan or another provision in PROMESA.
20 | Instead, we think that carrying out 402 means allowing or
21 | disallowing the expense based on whether it would be
22 | authorized outside of PROMESA, whether the Governor's actions,
23 | as stated in his April 16 letter to the Board, or AAFAF's
24 | letter to the Board, which is an exhibit to a Board submission
25 | which I'll turn to later, the Board and -- excuse me, the

1 legislature and the Governor have to determine under Puerto
2 Rico law whether the Governor has the authority to reprogram
3 the funds, as we've done, and explain to the Board on April
4 16th.

5 And the Board ultimately will certify a budget, or
6 accept a reprogramming, whether or not based -- based on
7 whether Puerto Rico law permits the Governor to engage in that
8 reprogramming.

9 THE COURT: Thank you.

10 MR. MUNGOVAN: So turning to the motion itself, the
11 Board does believe, as I've just stated, that 402 applies to
12 this dispute. And I just wanted to provide a little bit of
13 context around that, Your Honor, because the Board believes
14 that 402 applies. It has endeavored at every step not to take
15 a position under PROMESA that would restrict Puerto Rico's
16 right to determine its future political status, as
17 demonstrated in the record before the Court.

18 And I emphasize the words "Puerto Rico" not only
19 because it's in the statute, but because it highlights the
20 dichotomy between the speaker who is speaking on behalf of the
21 legislature, and the Governor and the executive branch
22 speaking separately from the legislature.

23 The idea here, from the Board's perspective, is what
24 would happen under -- if Puerto Rico law should control,
25 because the speaker and the legislature, on the one hand, and

1 the executive branch and the Governor on the other hand, are
2 at loggerheads. From the Board's perspective, this has been
3 an extraordinarily complex process with unusual facts.

4 And just to remind the Court, Law 167 does appear to
5 implicate Puerto Rico's right to determine its future
6 political status. When it was enacted, it lacked internal
7 funding within the four corners of the statute, being no
8 funding was provided in either a fiscal plan or the budget,
9 because the law was enacted in December of 2020, after the
10 fiscal plan and budget were certified.

11 And at each critical juncture along the way, the
12 Board focused on not restricting Puerto Rico's rights to
13 determine its future political status. And just as a few
14 examples of key facts along the way, on January 27th, the
15 president of the Senate and 11 of the Commonwealth's senators
16 raised concerns about the Governor's proposed funding of Act
17 167. That's in Exhibit Four to the Board's hearing exhibit
18 binder.

19 On February 3, the Governor submitted a reprogramming
20 request for Act 167 to the Oversight Board. That is at
21 Exhibit Five to our hearing binder. And on March 5th, the
22 Speaker of the House asserted that the legislature was seeking
23 to appeal Act 167, and raised concerns about the legislator's
24 authority -- the legislature's authority, excuse me, and role
25 in reviewing reprogramming requests under Puerto Rico law.

1 That's at Exhibit Six.

2 At each step thereafter, as set forth in the Board's
3 hearing binder, the Board walked a tight rope to follow
4 PROMESA, while avoiding taking an action under PROMESA that
5 would restrict the right of Puerto Rico to determine its
6 future political status. The Board believed that it had
7 struck the right balance, and complied with every aspect of
8 PROMESA, including section 402.

9 I recognize, Your Honor, that this background does
10 not necessarily resolve this dispute, but it is an important
11 predicate to a resolution.

12 Second, there seems to be some confusion,
13 respectfully, on the part of both the speaker and the
14 executive branch concerning the scope of the Board's April
15 13th resolution. And that resolution is Exhibit A to Board
16 Exhibit 21 in its exhibit binder.

17 The Board's April 14 resolution related only to
18 revising the budget. It did not relate to any reprogramming
19 request under section 204(c) of PROMESA or otherwise. The
20 Board never approved any reprogramming request concerning Act
21 167, and the resolution itself does not even mention a
22 reprogramming.

23 Following the Board's April 13 resolution, the
24 executive branch simply reprogrammed the funds, as the
25 executive director of AAFAF informed the Board in his April 16

1 letter to the Board, at Hearing Exhibit 22. The Governor
2 never submitted -- yes, Your Honor.

3 THE COURT: Didn't the Board back in March certify
4 that the revised budget, including the reprogramming, would
5 not be significantly disparate from the budget, and submit
6 that to the legislature, or do I have that wrong?

7 MR. MUNGOVAN: Respectfully, Your Honor, not quite.
8 To be very specific --

9 THE COURT: I do want to get --

10 MR. MUNGOVAN: No. That's okay. The Board did
11 certify that the Governor's proposed amended budget was
12 compliant with the fiscal plan in March of 2021, pursuant to
13 section 202 of PROMESA, and, specifically, section 202(c) of
14 PROMESA.

15 THE COURT: Thank you.

16 MR. MUNGOVAN: That is different, however, Your
17 Honor, than a reprogramming request pursuant to 204(c).

18 And the Governor and the executive branch, following
19 the conclusion of the budget amendment process, which
20 culminated in the Board's resolution of April 13th, the
21 Governor simply reprogrammed the funds, as the director of
22 AAFAF stated in his letter of April 16.

23 THE COURT: Thank you.

24 MR. MUNGOVAN: And importantly, as part of that,
25 AAFAF's letter states, "the government did not request prior

1 authorization from the Oversight Board to reprogram these
2 funds. That's in Exhibit 22. And importantly, AAFAF stated
3 in its April 16th letter that the OMB reprogrammed the funds,"
4 according to the Laws of Puerto Rico.

5 And I highlight that, because up to that point in
6 time, the executive branch had never identified that Puerto
7 Rico law, or the basis of its asserted authority to conduct
8 any reprogramming. It had never before invoked specifically
9 that the reprogramming was done under Puerto Rico law.

10 It also bears noting that at the time of issuing its
11 April 13 resolution, the Board believed that the executive
12 branch did not have the authority to unilaterally write
13 reprogramming lines under Puerto Rico law to fund Act 167.
14 Among other things, the Board asked the executive branch for
15 its authority to do so in its March 11 letter, which is
16 Exhibit 12, and the executive branch never identified that
17 authority. Even through today, through the submissions to the
18 Court, the executive branch has never identified its authority
19 to reprogram funds under Puerto Rico law.

20 But at the same time, Your Honor, the speaker, in his
21 papers, has not asserted anywhere that the executive branch
22 lacks the authority under Puerto Rico law to unilaterally
23 reprogram funds. And the Board believes that is the core
24 legal issue, and from what I've heard from Mr. Friedman, it
25 seems that the executive branch also believes that it is the

1 core legal issue to be resolved.

2 But at a minimum, there is no factual issue with
3 respect to getting this reprogramming, because the Board never
4 approved the reprogramming that is the subject we believe of
5 this current dispute.

6 So on these facts and circumstances, the Board
7 believes that no injunction should enter against the Board,
8 and the motion should be denied as to the Board.

9 THE COURT: Thank you.

10 MR. MUNGOVAN: Now, unless the Court has any further
11 questions for me, I'll waive the remainder of my time.

12 THE COURT: Thank you, Mr. Mungovan. I have no
13 further questions for you.

14 So, we return to counsel for the plaintiff for ten
15 minutes.

16 MR. MARTINEZ LUCIANO: Thank you, Your Honor.

17 Going back to what was just said regarding the April
18 13th Board resolution --

19 THE COURT: And this is Mr. Luciano?

20 MR. MARTINEZ LUCIANO: Yes, Your Honor. I'm sorry
21 about that.

22 THE COURT: Thank you.

23 MR. MARTINEZ LUCIANO: Yes. I had to identify
24 myself. This is Jorge Martinez Luciano for the plaintiff.
25 Sorry about that.

1 THE COURT: Thank you.

2 MR. MARTINEZ LUCIANO: The April 13th resolution,
3 although it does involve section 202, it's about
4 reprogramming, because the only way that Law 167 may be funded
5 is through reprogramming. Law 167 was enacted with no
6 earmarked funds to cover the special election.

7 As a matter of fact, that is why Law 167 is not a
8 buzzer-beater. It's an air ball. It misses the rim, because
9 it had no funds in it, and it could only be funded through a
10 reassignment, whatever you want to call it.

11 And if the Board is indeed acting under section 202,
12 as it purports to do, and it is our contention that only
13 section 204(c) is related to readjustments, which is what
14 we're talking about here, then under that section, under
15 202(f), it had to take a position and to resolve the impasse.

16 It cannot simply turn off PROMESA, because this is a
17 spiny issue and I don't want to decide it. If it's to be
18 decided under section 202, what section 202 provides is for
19 the Board to decide, which takes me to the reiterated
20 assertions by Mr. Friedman, to the effect that what the
21 legislature is trying to do here is to have veto power over
22 the Board and tell the Board how to spend money.

23 The Board is not trying to spend any money. The only
24 person who wants to spend money is the Governor and the
25 executive branch of defendants. As a matter of fact, if one

1 | thing is crystal clear from what we just heard from the Board,
2 | it is that the Board has authorized no reassignment.

3 | Therefore, the Board has not stated, has not held,
4 | has not suggested that Law 167 is to be funded. It merely has
5 | stated, without any legal basis -- and the Court asked
6 | specifically, and they cited to language in 204(c), but we
7 | don't see where it says that the Oversight Board may resort --
8 | or leave the matter to be resolved under Puerto Rico law.

9 | As a matter of fact, neither section 202 or section
10 | 204 make reference to state law as being a supplementary
11 | authority, to supplement PROMESA with regards to budget.
12 | Preemption is complete and absolute. 202 says how we draft
13 | the budget, and 204(c) tells us how we may amend or
14 | restructure that budget. That is it.

15 | This is not a matter of state law. As a matter of
16 | fact, what good would PROMESA be if a budget was prepared
17 | under PROMESA, but amended under Puerto Rico law? It doesn't
18 | make any sense. And the fallback argument, the only argument
19 | that the defendants -- that the government defendants attempt
20 | to present is that section 402 allows us to skip 202 and to
21 | skip 204(c).

22 | And they say that we are not appearing and we have
23 | not responded to their argument regarding rules of statutory
24 | construction. Well, we have relied on the most basic and the
25 | first rule of statutory construction that is to be applied

1 when reading a statute, and that is the plain language. That
2 is the rule that says that Congress means what it says. And
3 when Congress chooses words, those words are to be interpreted
4 within the usual and common meaning of those words.

5 And they hinge on the word -- the word "including" as
6 though it was dispositive, or as if because it says including,
7 by conducting the plebiscite as authorized by Public Law
8 113-76, that meant that plebiscites were one of the things,
9 and indeed, they are one of the things that -- they're the
10 major focus of 402. It is the only thing that is mentioned by
11 the Committee that went over the bill, that heard public
12 hearings on this bill, that received amendments to this bill.

13 And when they render the report and they want to tell
14 us what section 402 is about, the only thing that they say is
15 this section maintains the right for Puerto Rico to conduct a
16 plebiscite to determine its future political status. 402
17 could apply, for instance, if in this budget, and this is the
18 very problem that 167 has, it was approved after the budget
19 was running. It had no money.

20 If legislation is enacted for some procedure, let's
21 say a plebiscite, an assembly to decide status, and the
22 Governor requests and the legislature makes a request of 20
23 million dollars to fund that event, then 402 -- under 402, the
24 Board could not say, well, that's too much money. That's too
25 much money, and that's not as important as other things. I'm

1 not going to give you the money that is necessary to carry out
2 that event.

3 And if defendants want to hang in work sites, we
4 believe that -- as a matter of fact, the "including" there is
5 because Congress wanted to make sure that this includes an
6 allotment that was made in the Omnibus Budget Bill of 2014, in
7 which 2.5 million dollars were set aside for an education
8 campaign on a plebiscite, so long as the Attorney General of
9 the United States approved the formulas in the plebiscite,
10 which has been attempted twice as a matter of fact. And those
11 funds have not been released.

12 So it's not referring to just any plebiscite, but
13 it's referring to Puerto Rico -- the word including is merely
14 there to link to the possibility of gaining access to those
15 funds. But we believe that it is more important to see the
16 verb that is used here, shall not "be interpreted to restrict.
17 Restrict Puerto Rico's rights to determine its future
18 political status."

19 I know Mr. Friedman does not live in Puerto Rico,
20 but even then, this is not something that the people of Puerto
21 Rico are going to engage in an exercise of deciding their
22 future political status. The people in Puerto Rico who
23 support statehood are going to elect, they're going to --
24 they're going not to vote on political status. They're going
25 to vote on people who are going to go as lobbyists, as paid

1 | lobbyists to Congress to lobby for statehood.

2 | So if those lobbyists are not elected, is Puerto
3 | Rico's right to determine its future political status
4 | restricted? Of course it is not restricted. That is not a
5 | restriction of Puerto Rico's rights. And if that doesn't
6 | happen, the consequence of that not happening would have been
7 | that that plebiscite was not funded in the budget, and that
8 | the procedure to find the monies within the budget as it
9 | exists, as it was enacted and approved by the Board, was not
10 | carried out pursuant to PROMESA.

11 | So, again, I believe that the most important public
12 | interest consideration in this case is that if indeed the
13 | injunction is denied, and the precedent is set, that the Board
14 | may simply decide to turn off PROMESA. And as we point out in
15 | our reply brief, under PROMESA, the Board has the ministerial
16 | duty to make sure that the statute's purposes are carried out.
17 | But if it decides that when things get politically
18 | complicated, and they may very well get very politically
19 | complicated in the next four years, because we have a split --

20 | (Sound played.)

21 | MR. MARTINEZ LUCIANO: -- a political split in the
22 | legislature, and the executive branch then it merely turns off
23 | PROMESA, and it becomes a matter of Puerto Rico law. And you
24 | would have two competing systems. You would have a system
25 | that is -- and we should not forget that this is a debtor in a

1 federal bankruptcy proceeding. Okay. So deciding the rights
2 of a debtor in a bankruptcy proceeding in state court is not
3 something that I've ever seen, but this is what they're
4 suggesting.

5 If, by merely invoking political status with no
6 support in the legislative record -- as a matter of fact, the
7 legislative record refuses what they're proposing -- then
8 anything can be done. And where is the line to be drawn?

9 So we believe that the legislature has a role.
10 Congress put the legislature into 204(c), and it has a role, a
11 definite role there. If a readjustment is carried out without
12 the legislature exercising that role, then PROMESA has not
13 been complied with and defendants -- and plaintiff would have
14 suffered an irreparable injury.

15 It simply would be a matter of the Governor
16 proposing something that is controversial, creating an impact
17 with the legislature, and then having the Board keep their
18 hands out. And since the Governor controls the budget,
19 although there are some arguments under Puerto Rico law to be
20 made, but they're not relevant, because there is preemption.
21 And, as a matter of fact, that's why complete preemption under
22 PROMESA is so wise, because it avoids having a dual system in
23 which you have to provide -- to have different standards for
24 different -- under federal law and under Puerto Rico law.

25 And you would have a budget that is interpreted

1 under PROMESA, but the Court has a process --

2 (Sound played.)

3 MR. MARTINEZ LUCIANO: So thanks for hearing our
4 arguments on this.

5 THE COURT: Thank you very much, Mr. Martinez
6 Luciano.

7 I'm sorry. Did someone else wish to speak?

8 (No response.)

9 THE COURT: All right. I am going to make a ruling,
10 and I ask your patience for a short period while I make sure
11 of my thoughts here. So we'll just all stay quiet for a
12 moment.

13 Thank you all for your patience. I am making this
14 ruling orally in light of the time sensitivity here.

15 Before the Court is the Motion to Request the
16 Issuance of a Temporary Restraining Order, and in the
17 Alternative, for Preliminary Injunctive Relief by the
18 Honorable Rafael Hernandez Montanez in his capacity as Speaker
19 of the Puerto Rico House of Representatives (Docket Entry No.
20 3 in Adversary Proceeding No. 21-42, the "Motion").

21 The plaintiff in this action seeks through the Motion
22 an order enjoining the expenditure of funds allocated by the
23 Governor to fund a May 16th, 2021, special election to elect
24 a paid six member delegation to Congress. He also seeks an
25 order, ["providing a final resolution of the substantive

1 questions before the Court" (Motion at 12),] which he
2 characterizes as whether section 204(c) of PROMESA, which is
3 the Puerto Rico Oversight Management and Economic Stability
4 Act, 48 U.S.C. § 2101 et al., completely preempts Puerto Rico
5 law on the matter of budgetary adjustments, whether the
6 Financial Oversight and Management Board for Puerto Rico (the
7 "Oversight Board") lacks discretion to exempt any budgetary
8 expense from PROMESA, and whether section 402 of PROMESA is
9 simply a rule of statutory construction and does not create
10 privileged expenditures that are exempted from PROMESA.

11 The Court has reviewed the relevant pleadings with
12 care and listened to the arguments today carefully. The Court
13 now makes its oral ruling as to the Motion, and reserves the
14 right to make non-substantive corrections in the transcript of
15 this ruling.

16 This ruling constitutes the Court's findings of fact
17 and conclusions of law pursuant to Rules 7052 and 7065 of the
18 Federal Rules of Bankruptcy Procedure. Any finding that is a
19 conclusion of law is deemed a conclusion of law, and anything
20 characterized as a conclusion of law that is a finding of fact
21 is a finding of fact.

22 The Court has jurisdiction pursuant to 28 U.S.C. §
23 1331 and 48 U.S.C. § 2166.

24 The Court makes the following findings of fact.
25 Following a November 3rd, 2020, plebiscite, which I'll refer

1 to as the 2020 Plebiscite, in which a majority of the people
2 of Puerto Rico voted in favor of admission of Puerto Rico as a
3 state of the United States, the Legislature on December 30th,
4 2020, just as the New Progressive Party was transitioning out
5 as the majority party, enacted Law 167-2020, which I'll refer
6 to as Law 167, to provide for a May 16th, 2021, special
7 election of a paid six member delegation to go to Washington,
8 D.C., to lobby for Puerto Rico's statehood.

9 On January 15th, 2021, Governor Pedro
10 Pierluisi-Urrutia (the "Governor") and the Puerto Rico Fiscal
11 Agency and Financial Advisory Authority (AAFAF), submitted a
12 compliance certification for Law 167 under PROMESA section
13 204(a), estimating the law's impact on expenditures,
14 certifying that it was not significantly inconsistent with the
15 Commonwealth's Fiscal Plan, and asserting that Act 167 is an
16 exercise of self-determination of the people of Puerto Rico,
17 as permitted by section 402 of PROMESA. The Oversight Board
18 did not respond to that certification.

19 On February 3rd, 2021, AAFAF and the Puerto Rico
20 Office of Management and Budget [(the "OMB")], on behalf of
21 the State Elections Commission, submitted a reprogramming
22 request to the Oversight Board for the approval of certain
23 funds to fund the special election. On February 15th, the
24 chairman of the State Elections Commission notified the public
25 that the special election would occur on May 16th, 2021, as

1 set forth in Law 167.

2 On March 5th, 2021, plaintiff wrote to the Oversight
3 Board urging it to deny the OMB reprogramming request. The
4 Oversight Board declined in a letter dated March 8th, 2021, to
5 do so, and instead, "encourage[d] the Governor and the
6 Legislature to work together collaboratively, if possible,
7 concerning the funding of Act 167-2020," (Docket Entry No.
8 18-7).

9 After subsequent correspondence, the Oversight Board
10 indicated that its decision to defer action does not restrict
11 Puerto Rico's right to determine its future political status.
12 On March 23rd, 2021, the Oversight Board wrote to the
13 Governor, the President of the Senate, and the Speaker of the
14 House to establish a schedule for potentially amending the
15 certified budget under PROMESA section 202. On March 26th,
16 2021, the Governor submitted a proposed revised budget to
17 cover the cost of Law 167.

18 On March 31st, 2021, the Oversight Board issued a
19 resolution in which it determined in its sole discretion that
20 the proposed revised budget is a compliant budget as required
21 by PROMESA section 202(c)(1), and approved the proposed
22 revised budget. It then submitted the proposed revised budget
23 to the Legislature on April 1st, 2021, and that proposed
24 revised budget was defeated in the legislature.

25 On April 13th, 2021, the Oversight Board issued a

1 resolution recognizing an impasse between the Governor and the
2 legislature concerning reprogramming to fund the special
3 election provided under Law 167, and stated that PROMESA
4 section 402 constrained it from interpreting PROMESA in a
5 manner that would allow it to interfere in the dispute; that
6 characterizing a decision one way or another would relate to
7 issues regarding Puerto Rico's future political status; that
8 the original Commonwealth budget would remain in effect
9 without revision; and that the Board desired to allow the
10 Commonwealth Government to adopt or not adopt the proposed
11 revised budget, the same as would occur absent PROMESA.

12 As I said, the House of Representatives voted down
13 the reprogramming request, and notified the Oversight Board of
14 that decision.

15 The Governor thereafter invoked Law 2-2017 and
16 authority granted to AAFAF therein to reallocate budgetary
17 items. On April 16th, AAFAF informed the Oversight Board that
18 the Governor had authorized the disbursement of certain funds
19 to fund the special election required by Law 167.

20 In its briefing here, (Docket Entry No. 16 at 2), the
21 Oversight Board represents that it interprets PROMESA section
22 402 to bar the use of PROMESA to make the funding decision, at
23 least where neither funding nor not funding materially impacts
24 the Commonwealth Certified Fiscal Plan; that the Oversight
25 Board wished to leave it to the Speaker of the House and the

1 Governor to agree or litigate who was correct; and that if the
2 Governor would have the power to reprogram under Puerto Rico
3 law, the Oversight Board will approve the reprogramming, but
4 if not, the Oversight Board will not approve it.

5 Plaintiff filed the Complaint in this action on April
6 21st, 2021. (Docket Entry No. 1, the "Complaint"). The
7 plaintiff asserts, among other things, that PROMESA section
8 204(c)(2) ensures that only the legislature has the
9 prerogative to adopt the reprogramming that is already
10 approved by the Oversight Board. (Compl. 4.24.) The plaintiff
11 claims that the Legislature suffers injury insofar as the
12 Oversight Board's determination and the executive branch
13 actions have denied the Legislature a role that PROMESA
14 delegates to the Legislature under section 204(c) of PROMESA.

15 Turning to the applicable legal principles, the First
16 Circuit laid out the applicable standard for injunctive relief
17 in *Corporate Technologies, Inc., v. Harnett*, 731 F.3d 6, 9
18 (1st Cir. 2013), as follows: "[i]n determining whether to
19 grant a preliminary injunction, the district court must
20 consider: (i) the movant's likelihood of success on the merits
21 of its claims; (ii) whether and to what extent the movant will
22 suffer irreparable harm if the injunction is withheld; (iii)
23 the balance of hardships as between the parties; and (iv) the
24 effect, if any, that an injunction (or the withholding of one)
25 may have on the public interest."

1 The threshold question before this Court that is key
2 to the determination of the first two factors, namely, the
3 likelihood of success question and the irreparable harm
4 question, is whether PROMESA imposed on the Legislature or
5 granted to the Legislature the ultimate and final power to
6 determine whether a reprogramming can be implemented. If
7 PROMESA does not grant the Legislature that power, plaintiff
8 is unlikely to succeed on the Legislature's claim that the
9 Governor's expenditure that is at issue is in violation of
10 section 204(c) of PROMESA. The plaintiff will also be unable,
11 in his capacity as representative of the Legislature, to
12 demonstrate that the Legislature will suffer irreparable harm
13 by reason of the reprogramming actions here.

14 If the plaintiff cannot establish that the
15 legislature has any such right conferred by section 204(c), he
16 will not be able to show that the Oversight Board's actions
17 constituted a violation of that right, let alone that the
18 Legislature suffered any harm by way of a violation of that
19 right, which, under this hypothesis, would not exist.

20 Indeed, the Court concludes that no such power or
21 right of the Legislature is discernible from the plain
22 language of section 204(c). Section 204(c)(2) states that,
23 "[t]he Legislature shall not adopt a reprogramming, and no
24 officer or employee of the territorial government may carry
25 out any reprogramming, until the Oversight Board has provided

1 the Legislature with an analysis that certifies such
2 reprogramming will not be inconsistent with the Fiscal Plan
3 and Budget." 48 U.S.C. § 2144(c)(2).

4 By its terms, Section 204(c)(2) serves to prevent
5 both the Legislature and the executive branch from
6 implementing any reprogrammings in the absence of Oversight
7 Board certification that such reprogramming is not
8 inconsistent with the Fiscal Plan or the Budget. In other
9 words, it is prohibitive of certain legislative actions, but
10 it does not cause a positive grant of exclusive power to the
11 Legislature.

12 Moreover, plaintiff thus fails to show that the
13 Legislature has an interest that is being invaded by the
14 Oversight Board's decision. To the extent the plaintiff is
15 questioning the Oversight Board's interpretation and
16 application of section 402 of PROMESA, this would appear to be
17 an attempt to control or supervise the Oversight Board's work
18 in interpreting the statute, and would appear to run afoul of
19 section 108(a)(1), which prohibits the Governor and the
20 Legislature from attempting to "exercise any control,
21 supervision, oversight, or review over the Oversight Board or
22 its activities." 48 U.S.C. § 2128.

23 Thus, the Court finds that the plaintiff has failed
24 to show a likelihood of success on the merits of his claim
25 that a right granted to the Legislature by section 204(c) of

1 PROMESA has been invaded. This also vitiates his ability to
2 show that the Legislature will suffer irreparable harm by
3 means of violation of that alleged right under section 204(c)
4 of PROMESA.

5 Plaintiff has also failed to show that he is likely
6 to prevail on the merits of his contentions regarding the
7 particulars of the propriety of the actions taken or actions
8 refrained from by the Oversight Board.

9 Accordingly, the Court denies the plaintiff's motion
10 in its entirety. The Court will enter an appropriate order,
11 and the case will be referred for general pretrial management
12 to Magistrate Judge Judith Gail Dein.

13 Thank you all. That concludes the Court's oral
14 decision.

15 Is there anything further, Counsel, that we need to
16 take up together this morning?

17 (No response.)

18 THE COURT: Hearing no further comments, this
19 concludes the Hearing Agenda for this Omnibus Hearing. The
20 next scheduled hearing is the May 18th, 2021, hearing
21 concerning the preliminary injunction motion filed in
22 Adversary Proceeding No. 21-00041. That hearing, which is
23 telephonic, will begin at 9:30 AM Atlantic Standard Time on
24 May 18th, 2021.

25 As always, I thank the court staff in Puerto Rico,

1 New York, and Boston for their work in preparing for and
2 conducting yesterday's and today's hearing, and their ongoing
3 splendid support of the administration of these very complex
4 cases under very challenging circumstances.

5 Stay safe and keep well, everyone. We are adjourned.

6 (At 12:56 PM, proceedings concluded.)

7 * * *

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1 U.S. DISTRICT COURT)

2 DISTRICT OF PUERTO RICO)

3

4 I certify that this transcript consisting of 104 pages is
5 a true and accurate transcription to the best of my ability of
6 the proceedings in this case before the Honorable United
7 States District Court Judge Laura Taylor Swain, and the
8 Honorable United States Magistrate Judge Judith Gail Dein on
9 April 29, 2021.

10

11

12

13 S/ Amy Walker

14 Amy Walker, CSR 3799

15 Official Court Reporter

16

17

18

19

20

21

22

23

24

25

< Dates >	March 23rd, 2021	1258. 31:4, 51:22
167 may 88:4	97:12	12:56 103:6
2007, December 28,	March 26, 2021 56:3	13 34:10, 36:19,
2007 35:21	March 26th, 2021	50:16
April 13 84:23,	97:15	1331 95:23
86:11	March 31st, 2021	135 43:6
April 13, 2021	97:18	13th 57:25, 84:15,
55:25, 56:25	March 5th 83:21	85:20, 87:18,
April 14 84:17	March 5th, 2021 97:2	88:2, 97:25
April 14th 57:24	March 8th, 2021 97:4	14 10:24, 12:18,
April 16 81:23,	May 16, 2021 55:19	13:1, 72:11
84:25, 85:22	May 16th, 2021	15 14:16, 33:10,
April 16, 2021 57:22	94:23, 96:6, 96:25	72:11, 79:22
April 16th 65:14,	May 18th, 2021	155.42 36:17, 37:3
82:3, 86:3, 98:17	102:20, 102:24	155.42. 37:2
April 1st, 2021	November 16th 60:8	16 14:17, 98:20
97:23	November 2020 63:8	16. 33:10
April 21st, 2021	November 22nd, 2005	16615 8:23
99:5	23:19	167 60:3, 60:4,
April 29, 2021 1:16,	November 3rd 59:22	60:19, 62:20,
7:2, 104:9	November 3rd, 2020	70:14, 71:9,
December 19, 2006	62:22, 95:25	71:18, 71:22,
41:11	October, october 27,	72:16, 72:24,
December 2007 43:17	2005 32:11	73:9, 73:10,
December 28 42:11	one) may 99:24	73:15, 80:14,
December 28th, 2007		80:17, 83:4,
45:1, 45:22		83:20, 83:23,
December 30, 2020	< 1 >	84:21, 88:5, 88:7,
55:13	1 25:19, 99:6	89:4, 90:18, 96:6,
December 3rd, 2020	1.85 56:7, 58:7	96:12, 96:15, 98:3
43:2, 43:5, 44:5	100. 56:12	167-2020 96:5, 97:7
February 15th 96:23	1003 51:7	167-2020. 58:8
February 28, 2006	104 104:4	167. 76:24, 83:17,
23:15	108 73:4, 76:25	86:13, 97:1,
February 3 83:19	108(a) (1 101:19	97:17, 98:19
February 3rd, 2021	108. 76:14	17 19:14, 22:13
96:19	10:58 53:2	17-3283 8:24
January 1, 2007	11 49:3, 52:24,	17-BK-3283(LTS 1:6,
17:4, 41:12	83:15	2:7, 2:24, 3:7,
January 15th, 2021	1107 33:17	3:24, 4:7
96:9	113-76 90:8	17-BK-4780(LTS 1:23
January 1st, 2007	116 25:23	172 40:3
11:6	11:00 52:25	18 10:23, 57:22
January 26, 2006	11:18 53:3	18-7). 97:8
23:20	12 12:14, 17:19,	180 51:7
January 27th 83:14	18:9, 86:16	1807 48:20
March 11 86:15	12) 95:1	19 10:24
March 12, 2021 44:9	1257 28:17, 31:3,	19-453 7:20
March 2006, seven	48:5, 51:21	19-AP-00453(LTS 2:5
24:6	1258 28:17, 48:6	1967 59:23

1983 77:12
1st 99:18

< 2 >
2 36:25, 47:22,
66:5, 74:2
2) 98:20
2-2017 98:15
2.5 91:7
20 68:11, 90:22
20-AP-00003(LTS 2:22
20-AP-00004(LTS 3:5
20-AP-00005(LTS 3:22
2004 33:17, 37:8,
43:5, 43:13, 46:1
2005 32:8
2006 10:25, 40:23,
41:2
2007 35:21, 42:8
2007. 30:22, 36:15
2009 44:25, 46:1,
51:16, 51:20
2009. 43:13, 51:18
2011. 51:7
2012 51:17, 51:23
2013) 99:18
2014 91:6
2017 61:3
2017-3283 7:12
202 54:8, 54:25,
56:15, 56:19,
61:25, 62:2,
63:17, 67:4,
67:21, 72:14,
73:3, 74:13,
74:19, 76:13,
85:13, 88:3,
88:11, 88:18,
89:9, 89:12, 89:20
202(c 85:13
202(c) (1 97:21
202(f 64:9, 88:15
202. 54:23, 56:14,
97:15
2020 83:9, 96:1,
96:4
2020-2021 54:11
2020. 43:5, 49:18,
62:24

2021 85:12, 97:25
203 76:14
204 56:18, 56:20,
67:4, 73:4, 74:13,
74:19, 76:13,
89:10
204(a 96:13
204(c 54:9, 54:13,
56:14, 57:12,
58:16, 63:18,
64:12, 66:2, 67:7,
75:5, 75:6, 80:18,
84:19, 85:17,
88:13, 89:6,
89:13, 89:21,
93:10, 95:2,
99:14, 100:10,
100:15, 100:22,
101:25, 102:3
204(c) (1 66:2
204(c) (2 99:8,
100:22, 101:4
206 18:3
20th 30:22, 36:15
21 14:16, 15:8,
84:16
21-00041. 102:22
21-00042. 53:11
21-042. 7:21
21-42 94:20
21-AP-00042(LTS 4:5
21. 41:4
2100042. 52:20
2101 95:4
211 18:3
2128. 101:22
2144(c) (2 101:3
2166. 95:23
22 15:8, 57:21, 64:1
22. 85:1, 86:2
23 21:1, 42:13
25 9:15, 21:1, 30:5,
53:13, 53:21
27 22:4
27th 32:1
28 95:22
29 22:5, 44:18
2d 18:3

< 3 >
3 94:20
30 22:5, 26:12,
29:17, 45:2, 45:6
303 74:2, 74:8
30th 65:6, 96:3
31-3 25:18
32 50:14
32. 36:14
33 37:9, 39:10
341 49:3
3737. 49:4
3799 104:14
38 25:24
39 21:21
3: 1:6, 1:23, 2:5,
2:7, 2:22, 2:24,
3:5, 3:7, 3:22,
3:24, 4:5, 4:7

< 4 >
4 58:12, 70:9
4.24. 99:10
4.3 63:2
402. 63:12, 70:7,
72:8, 75:17,
76:25, 84:8, 90:10
403 61:2, 61:24
458. 13:4, 13:25,
14:20, 15:7, 20:9,
23:25, 26:5, 31:6,
34:16, 34:18,
35:8, 36:23,
37:17, 38:19,
42:3, 51:5, 51:25
48 95:4, 95:23,
101:3, 101:22
4820 37:6, 37:9,
38:4, 39:10

< 5 >
5 49:3
51-2020 62:24
56. 25:19
58. 31:1

< 6 >

6 12:21, 99:17	102:1, 104:5	28:5, 28:24,
66 44:18	able 67:5, 100:16	40:17, 47:5,
	above 14:14	55:17, 74:4, 74:6,
	absence 13:9, 101:6	75:2
< 7 >	absent 57:5, 98:11	addition 27:8,
7 41:12	absolute 73:25,	39:16, 42:8
70 52:22	89:12	additional 25:6,
7052 95:17	absolutely 11:24	30:1, 38:9, 48:3,
7065 95:17	abundant 13:11	48:7, 52:13, 60:1
731 99:17	accept 82:6	address 9:20, 10:14,
75 72:20	access 47:11, 91:14	19:20, 23:9, 25:3,
	accessing 7:24	26:7, 26:14,
	accident 28:11	28:18, 31:1,
< 8 >	accompanied 18:5	41:22, 45:25, 46:5
8 10:24	accomplish 46:19	addressed 10:21,
825. 40:3	according 86:4	60:18, 71:15, 78:1
832. 40:4, 40:10	Accordingly 102:9	addresses 41:22
88 28:13	accounts 11:16	adds 20:6
	accurate 8:18, 30:3,	adequately 11:14,
	104:5	48:6
< 9 >	Act 58:8, 67:12,	adjourned 103:5
9 99:17	70:1, 70:14, 71:9,	adjustments 76:9,
928 19:15, 33:21	71:18, 71:22,	95:5
928(a 33:2	72:16, 72:24,	Administered 1:11,
928(b 14:10, 14:25,	73:9, 73:15,	1:28
37:13	76:24, 80:14,	administration 103:3
928(c 16:10, 16:12,	80:17, 83:16,	administrative 23:17
16:15, 16:24,	83:20, 83:23,	admission 25:22,
18:14, 18:23,	84:20, 86:13,	43:1, 43:14, 44:2,
19:4, 26:5, 26:8,	95:4, 96:15, 97:7	44:14, 46:3, 96:2
27:6, 27:7, 28:1,		admit 71:16
28:6, 28:7, 28:8	acted 58:11	admits 9:25
928(f 23:23	acting 88:11	admitted 43:7, 45:6,
928. 19:13	action 10:2, 28:6,	45:23, 61:6
9:30 102:23	29:10, 51:17,	admittedly 51:8
9:44 7:3	51:20, 51:24,	adopt 55:5, 55:8,
["providing 94:25	51:25, 52:1, 52:2,	57:4, 66:5, 67:1,
[(the 96:20	52:3, 64:7, 65:13,	75:9, 98:10, 99:9,
[i]n 99:18	69:24, 80:18,	100:23
[t]he 100:23	84:4, 94:21,	
	97:10, 99:5	adopted 56:1
	actions 74:17,	Adopting 67:1
	81:22, 99:13,	adopts 65:20, 68:7
< A >	100:13, 100:16,	advance 8:19, 51:4
AAFAF 53:22, 57:23,	101:9, 102:7	advantage 13:19
68:10, 81:23,	activates 54:20	adversarial 62:2
84:25, 85:22,	activities. 101:22	Adversary 7:20,
85:25, 86:2,	acts 74:8	8:15, 52:20,
96:11, 96:19,	actual 10:1, 32:3,	53:11, 94:20,
98:16, 98:17	37:1	102:22
ability 70:6, 71:10,	actually 17:2, 19:6,	adverse 42:22

Advisory 4:42, 96:11
advocate 60:6
affect 59:8
affected 26:10,
26:23, 27:2,
27:15, 27:17,
27:18, 27:25
affirmative 9:21,
66:18, 69:24
affords 38:11
aforementioned 33:20
afoul 101:18
Africa 11:11
afternoon 53:6,
79:24, 80:2
Agency 4:41, 96:11
Agenda 8:12, 8:23,
9:13, 53:9, 102:19
Aggravated 37:14,
37:19, 37:20,
37:24, 38:17,
39:6, 39:7, 47:21,
50:8, 50:23
ago 43:2
agree 19:18, 72:4,
99:1
agreed 45:18
Agreement 15:11,
36:13, 36:15,
36:18, 41:3, 43:8,
44:3, 44:11,
44:18, 47:17,
47:18, 49:17,
50:2, 50:4, 50:15
ahead 45:24
air 88:8
Airlines 21:21
al 1:16, 2:14, 2:31,
3:14, 3:31, 4:13,
4:33, 7:14, 53:11,
95:4
alert 9:4
Alex 24:23, 48:2
Alexander 5:7
alleged 25:21,
47:17, 47:18,
102:3
allocated 94:22
allocation 9:8
allocations 26:17

allotment 91:6
allotted 8:21,
29:17, 53:13,
79:22
allow 57:4, 63:13,
72:5, 81:5, 98:5,
98:9
allowed 59:25
allowing 34:19,
57:10, 81:20
allows 59:4, 64:9,
89:20
alluded 29:10
almost 40:23, 55:12,
78:25
alone 12:2, 26:18,
27:21, 100:17
already 20:7, 34:21,
42:6, 45:23,
64:19, 99:9
alter 10:16, 11:13,
12:10, 12:22,
13:23, 19:20,
19:21, 30:19,
31:2, 32:16, 33:4,
35:2, 36:5, 39:14,
39:17, 39:20,
40:12, 40:17,
42:25, 43:20,
43:24, 46:17,
46:21, 46:24, 47:5
Alternative 94:17
Although 13:9, 17:2,
88:3, 93:19
Ambac 2:30, 3:13,
3:30
amend 54:6, 64:3,
67:20, 67:21,
89:13
Amended 58:17, 62:3,
63:16, 68:4,
85:11, 89:17
amending 63:19,
97:14
amendment 61:13,
64:18, 65:5, 67:9,
85:19
amendments 65:20,
68:5, 70:2, 90:12
America 7:11, 23:18

Americas 11:1, 11:8
Among 86:14, 99:7
amount 73:6
Amy 104:13, 104:14
analogous 37:6
analysis 15:13,
66:4, 67:10,
67:11, 67:15,
101:1
analyzed 67:13
analyzes 68:6
answer 10:18, 13:25,
15:18, 19:23,
54:9, 65:25,
70:13, 71:11,
72:10, 81:12
answers 14:9, 35:6
anticipate 29:25
apologies 16:20,
20:2, 45:15, 50:14
apologize 8:19,
20:1, 43:25, 44:5
App 33:17
appeal 29:5, 83:23
Appeals 33:15
appear 66:24, 83:4,
101:16, 101:18
APPEARANCES 4:28,
5:3
appeared 18:18,
78:14
APPEARING 4:30,
79:25, 89:22
appears 19:18, 23:14
appellant 33:25,
34:5
Appendix 36:25,
44:9, 47:22, 49:3
appends 36:24
applicable 20:19,
99:15, 99:16
application 70:12,
72:14, 101:16
applied 19:15, 89:25
applies 14:19,
16:10, 16:15,
16:25, 30:18,
32:15, 32:17,
32:22, 33:6,
33:18, 35:1,

46:22, 47:13,
48:14, 48:18,
82:11, 82:14
apply 14:13, 14:21,
15:4, 15:5, 20:20,
32:16, 48:19,
48:20, 62:6,
70:13, 76:19,
90:17
applying 38:10
appreciate 68:21
approach 14:18,
14:19, 14:21,
14:22, 15:5, 15:6,
38:6, 38:8, 38:11,
38:14
appropriate 49:24,
51:19, 52:13,
73:6, 74:22, 76:6,
102:10
appropriately 74:11,
74:14
appropriation 15:11,
37:7, 39:11
approval 96:22
approve 56:16,
61:23, 64:10,
70:2, 75:9, 75:23,
81:1, 81:17, 99:3,
99:4
approved 11:1, 17:5,
54:7, 54:11,
55:12, 56:12,
67:20, 84:20,
87:4, 90:18, 91:9,
92:9, 97:21, 99:10
approving 76:2
approximately 36:19,
43:13, 58:7
April 7:18, 32:1,
57:25, 84:14,
85:20, 87:17,
88:2, 97:25
aptly 54:14
argue 38:14, 64:6
argued 26:11, 33:6,
47:22, 74:16
Argues 12:22, 14:21,
14:22, 18:14,
32:22, 38:7, 74:4

arguing 29:5, 48:16,
75:6
arguments 7:19,
16:14, 16:24,
52:8, 63:23,
64:17, 93:19,
94:4, 95:12
arm 11:19
around 82:13
Article 22:4, 22:5,
33:21, 48:20,
49:3, 63:2
Articles 28:17, 31:3
articulate 72:11,
81:9
Asia 11:11
aside 24:15, 53:19,
63:14, 91:7
asks 15:2
aspect 84:7
aspects 32:3
assembly 55:14,
90:21
asserted 83:22,
86:7, 86:21
asserting 96:15
assertion 11:25,
59:7
assertions 88:20
asserts 99:7
assess 54:21
assessed 56:5
assets 11:7, 12:7,
13:19, 41:16
assign 60:1
assigned 17:4, 59:24
assignee 18:6
assigning 41:15
assignment 17:5,
17:6, 17:11,
17:21, 17:22,
17:24, 18:1, 18:4
assignor 18:5
associate 9:19
associated 42:19
Assurance 2:30,
3:13, 3:30
AT&T 52:23
Atlantic 102:23
attach 13:19

attached 44:17
attempt 42:9, 89:19,
101:17
attempted 91:10
attempting 54:11,
101:20
attempts 13:17
attested 78:17
Attorney 32:6, 41:5,
43:14, 50:13, 91:8
audit 13:16
Aut 33:16
author 60:24
authored 61:13
Authority 1:33,
4:42, 38:10,
56:20, 57:10,
58:15, 61:4,
66:11, 67:12,
75:8, 75:9, 80:13,
80:16, 82:2,
83:24, 86:7,
86:12, 86:15,
86:17, 86:18,
86:22, 89:11,
96:11, 98:16
authorization 58:19,
64:3, 86:1
authorized 41:21,
58:7, 81:22, 89:2,
90:7, 98:18
automatic 16:9,
16:10, 50:25
automatically 18:7,
30:23, 32:21, 42:5
Autoridad 2:5
available 8:24,
28:1, 28:23, 49:7,
51:21, 52:5
avoid 22:18, 30:16,
33:13, 41:1, 42:15
avoiding 84:4
avoids 93:22
awarded 19:17,
19:18, 33:8, 34:10
aware 32:9, 37:23,
39:8
away 8:22, 78:9
awesome 74:20

<p>< B > back 9:11, 16:22, 18:20, 29:25, 30:1, 49:13, 56:13, 61:18, 63:23, 75:4, 75:12, 81:6, 85:3, 87:17 background 22:16, 84:9 balance 65:18, 69:12, 78:14, 84:7, 99:23 ball 88:8 ballots 63:7 bank 11:15 Bankruptcy 7:12, 8:24, 59:13, 93:1, 93:2, 95:18 bar 98:22 bargain 9:25 Barranquitas 40:3 barred 15:20 Based 10:3, 10:12, 15:17, 16:8, 17:25, 18:12, 18:13, 19:23, 20:7, 20:19, 21:13, 21:18, 22:22, 33:8, 41:16, 43:19, 43:22, 81:21, 82:6 bases 26:3 basic 38:24, 80:5, 89:24 basis 22:15, 24:3, 24:15, 24:16, 27:1, 33:1, 57:19, 86:7, 89:5 Basketball 77:10 baton 47:24 bears 86:10 beater 77:18 beaters 77:11 becomes 40:22, 71:23, 92:23 beforehand 49:19 began 11:6, 32:12, 40:25</p>	<p>begin 9:13, 9:15, 53:12, 102:23 beginning 52:21 begins 40:24, 66:2 behalf 9:16, 24:24, 69:4, 79:22, 79:25, 82:20, 96:20 behavior 12:22 believe 30:12, 33:11, 35:1, 36:2, 37:15, 38:6, 38:18, 38:20, 40:19, 43:23, 46:4, 50:5, 50:7, 50:25, 51:16, 54:23, 69:12, 75:19, 76:23, 82:11, 87:4, 91:4, 91:15, 92:11, 93:9 believed 23:7, 25:3, 84:6, 86:11 believes 46:6, 82:13, 86:23, 86:25, 87:7 belong 51:14 belonging 37:11 benefit 9:25 benefits 13:17, 25:16 benign 48:10, 48:13, 48:18, 48:21 besides 25:4 best 43:1, 79:12, 81:9, 104:5 beyond 8:21 bidding 47:11 Bienenstock 4:33 Bill 60:24, 61:11, 90:11, 90:12, 91:6 billing 27:24 binder 83:18, 83:21, 84:3, 84:16 Bishop 60:14 bit 10:8, 82:12 bizarre 48:15 blanket 81:6 Board" 95:7 body 67:2 bootstrapped 62:21</p>	<p>Boston 103:1 branch 11:2, 11:8, 13:17, 13:20, 17:3, 31:7, 41:7, 41:13, 41:24, 54:12, 58:20, 64:5, 69:4, 82:21, 83:1, 84:14, 84:24, 85:18, 86:6, 86:12, 86:14, 86:16, 86:18, 86:21, 86:25, 88:25, 92:22, 99:12, 101:5 branches 57:18 brand 31:18 Brazil 43:4 breach 10:2 break 9:10, 52:21 breaking 8:19 Brian 4:34 bribed 50:10 bribery 32:6, 32:12, 42:4 bribes 36:22, 50:17 brief 8:13, 10:24, 14:16, 15:8, 16:14, 16:24, 17:19, 18:10, 19:15, 26:22, 28:18, 28:21, 28:25, 29:4, 29:11, 36:24, 44:12, 44:14, 45:11, 45:17, 47:22, 48:6, 48:7, 52:13, 60:12, 69:15, 72:11, 92:15 briefing 10:22, 24:2, 58:25, 98:20 briefly 47:15 briefs 78:12 brings 19:8, 19:11 broad 70:20, 74:4 brought 57:8 Budget. 101:3 Budgetary 54:15, 54:17, 76:8, 81:3,</p>
---	--	--

95:5, 95:7, 98:16
budgets 63:15
burden 13:21, 20:21,
22:9, 22:20, 23:1
business 11:2, 11:8,
11:11, 11:18,
12:5, 13:3, 13:14,
22:17, 23:14,
31:7, 31:11,
31:13, 31:19,
34:20, 41:18,
41:19
businesses 11:4
but-for 20:14
buzz 9:5, 9:6
buzzer 77:11, 77:18
buzzer-beater 77:9,
77:19, 88:8
Buzzer-beaters 77:17
buzzes 9:5, 9:9
bypass 34:23

< C >

c) (2 66:23
C. 5:8
calendar 52:18
call 7:5, 35:25,
41:2, 55:16, 88:10
called 39:7, 40:1,
41:18, 65:6
calling 8:9
calls 25:13
campaign 91:8
canceled 78:25, 79:8
canon 73:20
canons 69:9, 71:7
capacity 94:18,
100:11
capitalized 11:7,
11:14
care 95:12
carefully 56:5,
95:12
Carolina 33:16, 34:9
carried 58:10, 66:6,
92:10, 92:16,
93:11
carry 13:21, 20:21,
23:1, 66:15, 91:1,

100:24
carrying 81:20
CASCO 12:19, 12:23,
12:24, 13:2, 40:1,
40:2, 40:10,
40:14, 46:21,
46:23, 47:1, 47:12
cases 7:19, 14:13,
21:20, 28:12,
38:7, 71:6, 73:21,
79:1, 79:9, 103:4
cast 62:20, 63:7,
63:14
CAT 5:49
categorical 14:18,
14:19, 14:21,
15:5, 38:6, 38:8,
38:11, 65:19
causation 48:23
cause 10:1, 28:6,
29:9, 51:17,
51:19, 51:24,
52:1, 52:2, 52:3,
64:7, 101:10
caused 74:8
causes 51:25
cc'd 67:16
ccording 58:4
ceased 45:21
cedes 56:20
centers 20:10
certain 8:14, 13:18,
15:21, 31:12,
42:18, 96:22,
98:18, 101:9
certification 21:4,
66:7, 66:13,
66:17, 73:9,
75:10, 96:12,
96:18, 101:7
Certified 55:6,
56:7, 65:21,
67:13, 83:10,
97:15, 98:24
certifies 68:6,
101:1
certify 55:1, 64:20,
70:4, 82:5, 85:3,
85:11, 104:4
certifying 96:14

chairman 96:24
challenge 19:8
challenged 19:10
challenges 16:6,
19:25
challenging 103:4
championship 77:12
chance 76:1
change 40:17, 47:5
changed 13:16, 79:8
changes 75:6
chapter 14:13
characterized 95:20
characterizes 95:2
characterizing 98:6
charging 43:3
Charles 77:13
chart 36:24
choice 10:21
chooses 90:3
chose 18:22
Christian 77:14
Cir 99:18
circle 75:4
Circuit 22:12,
33:14, 46:15,
59:3, 99:16
circular 27:4
circumstance 34:12
circumstances 10:20,
34:5, 87:6, 103:4
circumvent 34:19,
42:3
circumventing 40:13,
40:18, 47:6
citation 57:9
cite 12:13, 17:17,
38:8, 40:1, 49:16,
60:12, 60:20, 64:8
cited 12:18, 18:9,
22:12, 45:10,
45:16, 46:21,
71:6, 79:1, 79:8,
89:6
cites 12:4, 12:20,
21:21
Civil 28:17, 28:22,
38:11, 48:5, 48:9,
48:17, 48:22,
49:7, 79:3, 79:7

claim 9:21, 10:12, 16:8, 19:21, 20:3, 20:4, 20:6, 20:8, 20:10, 20:13, 20:18, 21:12, 21:18, 21:22, 23:4, 24:3, 26:4, 28:5, 28:20, 29:8, 29:12, 100:8, 101:24 claimed 21:9 claiming 12:22 claims 9:22, 10:4, 12:8, 12:21, 14:2, 17:1, 19:11, 25:20, 25:25, 29:6, 42:21, 99:11, 99:21 clarity 8:11 class 12:17 classic 20:14 classical 59:20 clause 21:24, 70:9, 70:11, 75:7 clauses 22:3, 22:4 clear 21:25, 37:15, 40:21, 55:8, 58:11, 64:2, 89:1 clearly 33:19, 55:4, 59:11, 60:11, 75:22 Clemente 34:1, 34:6 Clerk 8:25 close 10:19 Code 28:17, 28:22, 37:7, 39:11, 48:5, 48:8, 48:10, 48:11, 48:12, 48:13, 48:14, 48:17, 48:20, 48:21, 48:22, 49:1, 49:8, 78:18 Coffee 17:18, 18:2 collaboratively 97:6 collectively 30:14 combined 70:3 comes 39:25 coming 41:1, 62:16 comment 66:21 comments 8:13, 30:7,	102:18 commercially 22:10 Commission 18:13, 26:10, 27:15, 27:19, 27:21, 28:15, 96:21, 96:24 Commissioner 60:21, 63:3 commit 37:11 Committee 60:13, 60:15, 90:11 common 29:6, 29:8, 90:4 Commonwealth 1:15, 4:32, 7:14, 57:4, 83:15, 96:15, 98:8, 98:10, 98:24 communication 58:3 companies 33:7, 33:12, 40:13, 43:16 Company 13:16, 19:16, 33:25, 35:23, 40:2, 40:15, 40:17, 47:4 comparison 74:2 competing 92:24 Compl 99:10 Complaint 10:13, 10:18, 16:6, 19:11, 19:24, 25:17, 25:18, 25:25, 26:1, 28:7, 28:19, 29:9, 51:18, 51:20, 51:23, 55:25, 99:5 Complaint" 99:6 complaints 10:5, 15:19, 25:9, 51:16 complete 89:12, 93:21 completely 14:25, 58:12, 78:18, 95:4 complex 83:3, 103:3 compliance 56:3, 96:12 compliant 55:2, 55:7, 56:16, 61:25, 64:21,	67:20, 85:12, 97:20 complicated 92:18, 92:19 complied 84:7, 93:13 complying 64:11 comprehensively 69:8 computer 7:25, 24:22, 68:12, 68:14 Conair 46:15 concede 23:21, 35:13 conception 73:22 concerning 30:14, 84:14, 84:20, 97:7, 98:2, 102:21 concerns 83:16, 83:23 conclude 51:13, 73:1 concluded. 103:6 concludes 100:20, 102:13, 102:19 conclusion 46:14, 85:19, 95:19, 95:20 conclusions 95:17 conclusive 11:20, 27:20 conduct 12:24, 14:23, 38:15, 47:17, 47:18, 48:21, 60:17, 60:19, 61:4, 86:7, 90:15 conducting 90:7, 103:2 conduit 39:21 confer 52:12 conference 8:4 conferred 100:15 confirmation 46:5 confirmed 17:21 confused 39:23, 50:9 confusion 84:12 Congress 57:13, 60:10, 60:11, 60:23, 61:15, 63:15, 67:14, 68:2, 68:3, 70:21, 71:14, 71:16,
--	--	---

90:2, 90:3, 91:5,
92:1, 93:10, 94:24
congressional 55:15,
72:16
connection 24:5,
24:12, 32:6,
35:12, 36:21,
40:20, 47:19,
52:13, 61:12
consequence 41:8,
49:5, 92:6
consequences 41:1,
79:5
consequent 18:5
consider 99:20
consideration 51:20,
92:12
considerations 64:23
considered 39:20,
60:24
considering 61:11
considers 14:23,
38:14
consistent 8:3,
61:22, 71:14,
71:18, 73:6,
73:10, 81:18
consisting 104:4
constituent 14:14,
15:1
constitute 15:11,
24:15, 33:4, 78:10
constituted 100:17
constitutes 17:24,
95:16
Constitution 58:6,
65:4, 71:15
constitutional 49:9,
65:5
constitutive 38:21,
38:23
constrained 98:4
construction 59:11,
62:7, 89:24,
89:25, 95:9
construed 59:8,
62:8, 62:10
consumed 25:15
consumers 25:16
contact 41:21

contain 22:2
contemporaneous
13:12
contend 30:19, 39:15
contending 17:10
content 76:18, 77:4
contention 70:18,
88:12
contentions 43:15,
64:5, 102:6
context 65:2, 76:2,
78:1, 82:13
continue 42:25
Continued 5:3, 11:9,
11:10, 50:5
contracting 15:17,
15:20, 15:25,
19:12, 20:12,
34:16, 51:9
contractual 18:6,
21:1, 21:3, 21:5
contrary 33:11,
43:15, 64:20
control 44:15,
44:16, 46:1, 46:3,
46:13, 46:16,
46:18, 50:5,
82:24, 101:17,
101:20
controlled 43:13,
43:16
controls 93:18
controversial 57:11,
57:19, 93:16
controversy 57:17
controvert 13:21,
26:15
convicted 12:23,
13:1, 14:6, 15:21,
15:23, 16:5,
16:11, 19:5, 19:6,
19:7, 19:16,
32:23, 32:24,
33:18, 33:22,
33:23, 34:2, 40:16
convictions 38:9
convinced 43:22
core 86:23, 87:1
corners 83:7
Corporacion 51:6

Corporate 10:20,
11:15, 11:22,
31:13, 32:3,
35:18, 35:20,
35:23, 40:5, 40:6,
42:21, 42:23,
45:4, 99:17
Corporation 2:31,
3:14, 3:31, 16:3,
16:12, 21:10,
34:6, 34:8, 34:13,
39:23, 47:4
corporations 15:21,
19:15, 33:2, 34:19
correct 74:18, 99:1
correction 46:10
corrections 95:14
correspondence 97:9
cost 8:25, 55:20,
79:15, 97:17
Counsel 7:16, 16:17,
16:18, 28:12,
30:11, 44:2,
44:20, 44:23,
52:8, 52:12,
77:22, 87:14,
102:15
Count 8:15, 10:12,
16:6, 19:24,
25:17, 25:18,
26:1, 77:11, 77:17
counted 77:13
counterparties 13:18
counterparty 15:22,
17:7, 21:5, 21:8,
22:11
country 14:12, 23:18
Counts 10:4, 10:17,
15:19, 19:10,
25:25
County 23:18
course 25:15, 25:20,
27:25, 61:22,
78:4, 92:4
COURTROOM 7:7
courts 11:13, 14:18,
22:15, 40:5
cover 70:15, 76:23,
88:6, 97:17
covered 28:21,

37:13, 48:6, 54:7,
58:17, 70:17
covers 54:16
create 8:18, 34:18,
59:10, 73:17, 95:9
created 13:2, 32:1
creates 61:18
creating 33:13,
34:20, 34:24,
63:18, 93:16
creation 31:12
credit 11:16
creditors 13:18
crime 15:23, 26:11,
27:15, 27:19,
27:21, 28:1,
28:15, 34:2, 34:7,
34:14, 36:15,
37:11, 40:10
crimes 14:14, 14:15,
15:21, 37:13,
40:16
criminal 38:9,
38:10, 43:6
crisis 61:8
critical 83:11
cross-motions 9:14
crude 36:21
cryptically 63:20
crystal 89:1
CSR 104:14
culminated 85:20
current 87:5
customer 41:10
cutting 78:22

< D >

d/b/a 31:11
DA 12:1, 23:18,
40:23
Dale 4:37, 29:16,
29:18, 29:19,
29:22, 30:3, 30:6,
31:17, 31:24,
35:10, 35:17,
36:7, 36:10,
37:20, 38:22,
39:8, 39:13, 42:2,
43:10, 43:12,

44:4, 44:8, 46:1,
46:20, 47:15,
49:13, 49:14,
49:15, 51:3, 52:7
damages 10:1, 25:20,
25:22, 28:20
dashboard 8:1, 8:2,
24:22, 68:16
date 34:22, 41:19,
45:22, 79:8
dated 23:19, 36:15,
41:11, 44:9, 97:4
dates 31:25
day 7:18, 46:6,
55:13, 77:23
days 55:13
de 2:5, 2:6, 33:16,
51:7
dealing 78:13
deals 63:18
dealt 18:17
debt 45:1, 59:12
debtor 92:25, 93:2
Debtors 1:18, 1:35
decade 28:4
deceit 10:12, 19:23,
20:3, 20:6, 20:8,
20:10, 20:13,
20:18, 21:13,
21:18, 22:8,
22:19, 23:4, 24:3,
24:16, 31:2,
51:21, 52:4
December 41:2, 44:4,
49:18, 65:6, 83:9,
96:3
decide 59:19, 60:4,
62:12, 64:8,
64:17, 71:16,
75:3, 76:24, 78:7,
88:17, 88:19,
90:21, 92:14
decided 64:15,
65:14, 88:18
decides 92:17
deciding 11:13,
59:15, 60:7,
91:21, 93:1
decision 33:15,
34:4, 34:11,

49:21, 51:5,
64:16, 74:11,
97:10, 98:6,
98:14, 98:22,
101:14, 102:14
decisions 59:2,
74:13, 77:5
Declaration 23:2,
36:14, 41:11,
69:14, 78:16,
78:18
declared 60:24
declined 69:24, 97:4
deemed 95:19
deems 49:24
defeated 97:24
defeating 40:8
defend 58:5
defendant 12:24,
14:23
Defendants 2:18,
2:35, 3:18, 3:35,
4:16, 13:22, 23:5,
58:25, 62:20,
64:6, 64:17, 69:5,
78:23, 88:25,
89:19, 91:3, 93:13
defending 40:9
defenses 49:10
defer 70:4, 97:10
deference 80:23
deferred 43:8, 44:2,
44:11, 44:17,
50:1, 50:4
defined 16:3, 16:13,
18:22, 18:23,
18:24, 47:15
defines 33:2, 39:6
definite 93:11
definitely 34:8
definition 16:2,
18:15, 33:20,
40:12, 47:3, 47:21
definitions 19:1
degree 12:25, 30:21,
35:7, 36:16, 37:4,
37:16, 38:3, 38:17
degrees 37:24
Dein 4:24, 7:10,
102:12, 104:8

del 33:16	82:16, 83:5,	32:24
Delaware 10:21,	83:13, 84:5,	disclosure 20:23,
11:13, 12:15,	90:16, 91:17,	22:23, 24:12,
46:22, 46:23	92:3, 97:11, 100:6	24:13, 29:8
delegate 76:4	determined 48:18,	disclosures 21:1,
delegates 99:14	74:12, 74:15,	21:4
delegation 55:15,	97:19	disconnect 9:11,
72:17, 72:18,	determines 81:7	52:23
94:24, 96:7	determining 22:14,	discovered 13:11
delivered 57:25	71:13, 74:21,	discovery 45:8
demands 71:25	99:18	discrete 54:4
demonstrate 100:12	device 67:4	discretion 95:7,
demonstrated 43:1,	devices 59:20	97:19
70:19, 80:10,	dial 9:11	discretionarily 81:6
82:17	Diaz 57:23	discrimination 62:8
demonstrating 13:13	dichotomy 82:20	discussed 64:11
denied 23:22, 69:7,	difference 31:20,	discussing 11:25,
80:6, 87:8, 92:13,	31:21, 74:8	42:4
99:13	different 12:25,	disgorge 29:13
denies 74:24, 102:9	27:23, 31:13,	disingenuous 36:25
deny 97:3	37:24, 56:14,	disparate 85:5
Department 45:12,	64:19, 77:1,	dispense 40:5, 70:16
45:18	77:11, 85:16,	dispositive 14:2,
depending 48:23	93:23, 93:24	28:24, 90:6
deposition 23:2	difficult 8:17	dispute 11:12,
deprivation 48:9,	difficulty 8:21,	11:14, 14:19,
48:23, 49:2	66:8	48:12, 50:3,
deprived 54:13	direct 9:10, 26:19,	70:15, 71:20,
DEPUTY 7:7	27:22, 45:21	71:21, 82:12,
derail 78:23	directing 44:15,	84:10, 87:5, 98:5
described 47:15	44:16	disputes 54:5
describes 47:8	direction 77:1	disqualified 15:17,
desert 58:22	directly 26:10,	15:25
designed 75:21	26:23, 27:2,	disqualifying 14:5
designs 41:14	27:14, 27:17,	disregard 10:20
desired 98:9	27:18, 27:25,	disregarded 36:2
desires 57:3	28:15, 36:21,	disruptive 79:6
detail 21:1	43:12, 43:14,	dissuade 72:1
detailed 22:23	44:25	distributed 43:17
determination 72:13,	director 57:23,	distribution 42:20
76:6, 79:17,	84:25, 85:21	District 1:1, 1:3,
81:17, 99:12,	directors 11:16	4:22, 4:23, 4:25,
100:2	disaffiliate 34:21	7:7, 7:8, 18:3,
determinations 73:24	disagree 51:15	32:6, 41:5, 50:13,
determine 38:9,	disallowing 81:21	99:19, 104:1,
43:24, 59:9,	disbursed 51:11	104:2, 104:7
60:17, 63:22,	disbursement 58:7,	Doc 25:19, 49:3
71:10, 71:22,	98:18	Docket 1:6, 1:23,
72:23, 80:9,	discernible 100:21	2:5, 2:22, 3:5,
81:15, 82:1,	disclose 21:10,	3:22, 4:5, 8:23,

57:22, 94:19,
97:7, 98:20, 99:6
doctrine 71:1
document 25:18,
25:24, 46:2
documentary 23:2
documentation 17:13
documented 45:4
documents 11:25,
13:12
doing 8:15, 23:14,
31:7, 31:11,
31:18, 39:9,
58:23, 65:10
DOJ 45:18, 46:6,
46:9, 49:21, 52:11
dollars 36:19, 37:5,
43:6, 50:17, 56:7,
58:8, 61:20,
72:21, 90:23, 91:7
dolo 21:23, 22:13,
22:15
done 11:22, 20:17,
41:20, 42:3, 42:9,
42:23, 54:22,
71:19, 74:20,
78:21, 82:3, 86:9,
93:8
door 61:18
doubt 56:6
down 9:15, 10:8,
16:19, 21:15,
45:13, 45:14,
56:12, 98:12
DPA 44:23, 44:24,
45:11, 45:17, 46:7
draft 89:12
drafted 20:23,
22:24, 63:16
drawn 43:20, 93:8
dual 93:22
due 52:4, 75:7
during 8:9, 8:16,
34:1
duties 55:18, 58:5
duty 32:24, 54:20,
92:16
dwell 78:12
DX-1 22:4
DX-2 22:5

DX-3 22:5
DX-30 45:6
DX-4 22:5
DX-5 22:5
DX-6 22:6

< E >
e-mail 41:22
earlier 18:20, 32:10
early 23:15
earmarked 88:6
earnestly 80:7
Eastern 21:21
ECF 46:25
Economic 9:25,
22:17, 39:21,
61:8, 95:3
Ecuador 43:5
education 22:16,
91:7
effect 26:18, 26:19,
27:21, 27:22,
28:15, 58:9,
70:14, 73:20,
88:20, 98:8, 99:24
effective 17:4,
41:12, 41:19
efforts 42:14
ego 10:16, 11:14,
12:10, 12:22,
13:23, 19:20,
19:21, 30:19,
31:2, 32:16, 33:4,
35:2, 36:5, 39:14,
39:17, 39:21,
40:12, 40:17,
43:20, 43:24,
46:21, 46:24, 47:5
egos 42:25, 46:17
egregious 12:23
eighth 52:3
either 28:7, 29:9,
34:19, 56:13,
63:17, 67:19,
76:7, 83:8
elaborate 80:19
elect 72:16, 91:23,
94:23
elected 55:19, 92:2

election 55:15,
56:4, 56:8, 56:22,
58:8, 60:4, 62:20,
63:10, 65:1, 65:3,
65:5, 65:17, 78:3,
78:21, 78:23,
79:2, 79:7, 88:6,
94:23, 96:7,
96:23, 96:25,
98:3, 98:19
Elections 55:20,
78:25, 79:4,
81:18, 96:21,
96:24
Electric 1:32
Electrica 2:6
electricity 25:15
element 23:4
elements 14:14,
14:24, 15:1, 15:2,
31:13, 38:15,
38:16, 38:17,
38:21, 38:23,
38:24, 39:2, 39:3
Emil 5:12
emphasize 82:18
employee 62:9,
100:24
employment 62:8
enact 62:2
enacted 55:11,
62:14, 62:24,
77:21, 77:23,
83:6, 83:9, 88:5,
90:20, 92:9, 96:5
enacting 61:9
encourage 9:2
encourage[d] 97:5
end 33:23, 34:10,
35:21, 40:18, 77:8
endeavored 80:8,
82:14
ended 56:14
Energia 2:5
engage 82:7, 91:21
engagement 79:7
enjoining 94:22
enormous 33:12
ensure 7:22
ensures 99:8

enter 20:24, 34:22,
87:7, 102:10
entered 22:21, 42:6,
42:16
entering 22:25,
24:10
entire 13:3, 34:17
entirely 13:14, 72:5
entirety 102:10
entities 11:4, 11:5,
13:2, 19:7
entitled 13:22,
23:5, 31:3, 66:15
entitlement 25:12
entity 12:23, 19:6,
21:5, 27:24,
31:13, 31:16,
33:18, 39:24,
40:6, 40:12,
41:25, 47:7, 47:8,
54:7, 58:17, 67:8,
76:12
Entry 8:23, 94:19,
97:7, 98:20, 99:6
enumerated 70:23
equation 65:22
equivalent 14:14,
15:2, 40:7
error 44:25
escape 12:17
Escudero 5:12,
53:14, 53:19
Esq 5:11
essential 23:4
essentially 75:14,
75:19
establish 12:10,
15:24, 20:15,
21:12, 21:17,
46:17, 97:14,
100:14
established 11:3,
30:12, 43:20,
69:19
establishing 10:19
estimating 96:13
et 1:16, 2:14, 2:31,
3:14, 3:31, 4:13,
4:33, 7:14, 53:11,
95:4

Europe 11:11
evade 46:24
evading 13:4, 40:8
evaluate 11:13,
14:7, 79:12
evaluated 56:5
event 37:2, 45:5,
90:23, 91:2
events 61:12
everybody 53:7
everyone 8:3, 9:10,
52:23, 53:5,
81:13, 103:5
evidence 10:23,
11:19, 11:24,
12:9, 12:25, 13:5,
13:9, 13:11,
22:20, 23:1, 23:2,
23:4, 26:15,
27:20, 29:13,
43:23, 45:5
exact 34:12
exactly 14:17, 45:22
example 9:6, 27:23,
40:15, 71:3, 72:15
examples 83:14
exceeds 37:5
excepted 70:10
exception 58:13
exceptional 10:19
exceptions 54:16,
63:16, 63:17
exclude 71:3
exclusive 66:11,
101:10
exclusively 26:16
excuse 31:17, 32:20,
33:22, 36:11,
39:20, 81:25,
83:24
executed 16:5, 17:3,
19:9, 24:7, 26:18
executive 57:17,
57:23, 58:20,
69:4, 82:21, 83:1,
84:14, 84:24,
84:25, 85:18,
86:6, 86:11,
86:14, 86:16,
86:18, 86:21,

86:25, 88:25,
92:22, 99:12,
101:5
exempt 95:7
exempted 95:10
exercise 73:4, 81:1,
91:21, 96:16,
101:20
exercising 46:16,
93:12
Exhibit 28:13, 32:1,
36:14, 41:12,
42:13, 44:10,
44:12, 44:14,
50:14, 55:25,
57:21, 64:1,
81:24, 83:17,
83:21, 84:1,
84:15, 84:16,
85:1, 86:2, 86:16
EXHIBITS 6:9, 42:14
exist 100:19
existence 30:23,
32:20
existing 34:21
exists 92:9
expand 61:16
expectation 61:3
expenditure 78:4,
94:22, 100:9
expenditures 95:10,
96:13
expense 81:21, 95:8
expenses 11:17,
63:19
experience 22:17
expired 9:24
explain 14:16, 82:3
explained 13:1,
15:8, 18:4, 19:14
explaining 74:3
explains 41:12
explicit 57:7
expressly 28:14
extension 59:10
extensive 58:25,
60:25
extent 99:21, 101:14
extraordinarily 83:3

<p>< F > F. 18:3 F.3d 99:17 face 57:10, 63:25, 66:8, 70:24, 72:24, 79:16 facilities 11:16 fact 25:22, 27:17, 46:14, 48:16, 50:3, 54:14, 55:4, 55:20, 57:15, 63:15, 71:25, 76:20, 77:7, 77:18, 78:17, 79:2, 88:7, 88:25, 89:9, 89:16, 91:4, 91:10, 93:6, 93:21, 95:16, 95:20, 95:21, 95:24 factors 11:13, 78:1, 78:13, 100:2 facts 13:22, 25:24, 26:16, 28:14, 41:3, 44:17, 44:24, 45:3, 45:6, 45:7, 45:8, 45:23, 78:25, 83:3, 83:14, 87:6 factual 20:17, 24:15, 54:5, 87:2 factually 45:19 fail 59:18 failed 13:21, 20:21, 23:3, 101:23, 102:5 fails 19:21, 101:12 failure 23:3 fair 41:24 fall 47:20, 75:12 fallback 20:4, 89:18 falls 13:25, 14:7, 30:25, 35:7, 36:12, 36:23, 37:16, 38:19 false 27:16, 27:24 falsely 23:22 familiar 71:7 fan 77:10</p>	<p>far 12:15 favor 25:8, 63:1, 69:13, 79:18, 96:2 favorable 62:9, 62:11 favoring 71:19 February 55:22 Febus 36:14, 41:11 Federal 14:10, 34:2, 43:3, 78:19, 93:1, 93:24, 95:18 federally 61:5 feels 73:13 Feliciano 22:12 felony 37:25 few 33:3, 43:2, 83:13 fictions 40:5 Fifth 31:2, 35:18, 42:15, 43:21, 50:6, 54:24 figure 41:1, 73:19 file 52:10 filed 8:23, 28:12, 32:1, 65:13, 71:12, 99:5, 102:21 files 11:17 filled 65:17 final 9:9, 19:17, 19:19, 94:25, 100:5 Financial 1:9, 1:26, 2:22, 3:5, 3:22, 4:41, 7:12, 95:6, 96:11 financially 77:5 find 17:18, 22:4, 46:24, 46:25, 67:5, 92:8 finding 57:20, 66:21, 95:18, 95:20, 95:21 findings 95:16, 95:24 finds 101:23 fine 43:6 finish 29:2, 43:10, 43:11, 67:24 Firestein 4:36</p>	<p>firm 13:1, 61:20 Fiscal 4:40, 54:24, 55:2, 61:22, 64:20, 64:21, 71:25, 73:7, 73:11, 73:14, 81:19, 83:8, 83:10, 85:12, 96:10, 96:15, 98:24, 101:2, 101:8 fiscally 72:6 fit 76:9, 78:15 Five 29:22, 30:1, 44:20, 49:13, 53:19, 55:12, 83:21 floor 56:10 fly 72:18 focus 90:10 focused 39:10, 83:12 focuses 71:3 follow 84:3 followed 63:2 Following 34:24, 54:8, 84:23, 85:18, 95:24, 95:25 follows 99:18 FOMB 75:10 force 39:1, 76:12 forfeiture 49:6 forget 92:25 form 10:20, 25:10, 29:11, 35:23, 41:13 formalities 11:15 formerly 11:8 forms 20:23, 21:4, 21:6, 22:24 formulas 91:9 forth 14:13, 28:21, 65:3, 84:2, 97:1 forward 22:20, 23:3, 54:4, 59:7 found 16:11, 19:5, 33:24, 56:2, 58:22 Four 16:4, 16:8, 19:14, 19:25, 20:1, 25:4, 30:22,</p>
---	--	---

32:19, 35:4,
35:12, 46:25,
51:24, 83:7,
83:17, 92:19
Fournier 21:20, 22:3
Fourth 31:1, 52:2,
54:24, 69:11
Frankly 24:16,
46:13, 46:18,
76:21, 78:24
fraud 27:23, 33:23,
34:2, 34:7, 40:7,
40:9, 43:4
free 34:22
Friedman 4:42,
68:10, 68:12,
68:13, 68:15,
68:18, 68:19,
68:21, 68:23,
68:25, 69:3, 69:4,
75:13, 75:15,
76:16, 77:17,
79:20, 86:24,
88:20, 91:19
friend 28:9
front 46:2
fuel 9:23, 12:2,
13:6, 19:23,
20:22, 22:21,
25:15, 25:17
full 9:25, 31:3,
45:7
fully 9:23, 10:21,
17:6, 17:24
fund 56:8, 58:8,
59:19, 74:5,
86:13, 90:23,
94:23, 96:23,
98:2, 98:19
fundamental 70:13
funded 88:4, 88:9,
89:4, 92:7
funding 56:21,
65:11, 78:22,
83:7, 83:8, 83:16,
97:7, 98:22, 98:23
funds 11:18, 50:19,
51:9, 51:11,
51:13, 54:6,
54:20, 55:1,

55:24, 59:24,
60:1, 65:6, 65:7,
80:14, 80:16,
82:3, 84:24,
85:21, 86:2, 86:3,
86:19, 86:23,
88:6, 88:9, 91:11,
91:15, 94:22,
96:23, 98:18
future 41:18, 59:9,
59:15, 60:17,
62:12, 63:22,
71:10, 74:21,
76:23, 80:8, 80:9,
81:15, 82:16,
83:5, 83:13, 84:6,
90:16, 91:17,
91:22, 92:3,
97:11, 98:7

< G >
Gail 4:24, 102:12,
104:8
gaining 91:14
gave 60:25
General 12:4, 12:11,
60:21, 63:10,
65:3, 74:19, 91:8,
102:11
generally 20:19,
78:5
generate 25:15
gets 49:9, 69:25
getting 69:23, 87:3
gigantic 72:9
give 72:15, 73:19,
73:24, 79:12, 91:1
given 8:14, 34:4,
49:22
gives 69:21, 75:9,
75:21
giving 42:6, 76:11
God 7:10
Godfrey 9:19, 44:22
Government 15:20,
20:12, 20:20,
27:8, 34:3, 36:20,
40:2, 47:12,
47:19, 50:18,

57:4, 60:5, 61:4,
62:3, 64:2, 65:16,
69:18, 74:10,
76:4, 76:7, 80:13,
80:16, 85:25,
89:19, 98:10,
100:24
Governor" 96:10
Goya 17:17, 18:2,
18:8
grand 30:21, 34:14,
35:7, 36:16, 37:3,
37:16, 38:3,
38:16, 50:7
grant 66:18, 99:19,
100:7, 101:10
granted 21:22,
64:25, 98:16,
100:5, 101:25
great 64:24
greater 70:1
gross 29:10, 29:12,
29:13
grounds 25:7
guess 76:3
guilty 16:11, 19:5,
37:2, 37:3
Gulfstream 72:19,
73:2

< H >
Hampshire 18:13,
18:17
hand 47:24, 73:23,
82:25, 83:1
handed 59:3
hands 51:14, 93:18
hang 59:5, 91:3
happen 81:2, 82:24,
92:6
happened 56:17,
64:13, 64:15
happening 65:11,
92:6
happens 60:21, 63:2,
64:8
happy 65:24
hard 66:9
hardship 64:24,

78:14
hardships 65:18,
99:23
harm 69:16, 77:25,
78:2, 78:5, 78:10,
79:17, 99:22,
100:3, 100:12,
100:18, 102:2
harmed 78:6
harmonious 73:17,
76:18
harmoniousness 73:20
harms 69:12, 69:14
Harnett 99:17
harsh 48:19
hat 59:6
Hay-adams 72:19,
73:3
hear 9:9, 24:24,
29:16, 68:10,
68:20, 68:23,
68:25, 69:2, 79:21
heard 46:1, 49:23,
59:21, 75:25,
86:24, 89:1, 90:11
Hearing 4:21, 7:15,
7:18, 7:19, 7:23,
8:5, 8:17, 8:21,
68:13, 83:17,
83:21, 84:3, 85:1,
94:3, 102:18,
102:19, 102:20,
102:22, 103:2
hearings 90:12
heightened 22:10
held 12:9, 33:19,
41:16, 46:15,
62:23, 65:18,
78:22, 89:3
help 61:8, 71:2
helpful 30:8
hereby 58:3
Hernandez 4:5, 5:11,
52:19, 53:10,
53:17, 94:18
hidden 63:20
higher 12:16
highest 73:18
highlight 86:5
highlighting 74:8

highlights 82:19
hinge 90:5
history 28:3, 40:11,
59:14, 70:25,
71:2, 77:10
hold 14:18, 44:4,
44:10, 59:19
Holdings 35:22,
42:12, 43:18, 45:1
holds 33:17
Honorable 4:22,
4:24, 5:10, 7:9,
7:10, 7:11, 53:17,
94:18, 104:6,
104:8
hope 61:3
House 53:18, 56:11,
60:13, 83:22,
94:19, 97:14,
98:12, 98:25
Houston 77:12
humongous 59:12
hundred 61:20
hurts 78:23, 78:24
hypothesis 100:19
hypothetically 76:23

< I >
idea 82:23
identified 25:4,
86:6, 86:16, 86:18
identify 8:10, 24:1,
87:23
identity 39:22
ignores 33:14
ignoring 38:12
II 10:4, 10:17,
15:19, 19:10,
25:17, 99:21
IIC 12:1
III 1:8, 1:25,
25:18, 25:25,
99:22
III.1 9:13
illegal 15:11, 37:7,
39:11
illegalities 52:2
illicit 51:20
Imagine 70:1, 70:5

immaterial 23:7,
46:23
impact 93:16, 96:13
impacts 98:23
impasse 56:21,
56:24, 88:15, 98:1
implement 58:6,
62:16, 62:25
implemented 100:6
implementing 101:6
implicate 83:5
implicated 50:6,
81:8
implies 18:6
imply 75:11
importance 51:9
important 25:4,
31:25, 39:15,
39:17, 59:17,
59:18, 62:18,
73:8, 78:13, 79:4,
84:10, 90:25,
91:15, 92:11
Importantly 20:18,
33:14, 34:17,
70:9, 85:24, 86:2
impose 64:9
imposed 43:6, 50:16,
100:4
imposes 56:16
imposing 50:13
improper 38:7
improperly 51:11
Inc 21:21
Inc. 2:13, 5:6,
9:20, 17:18, 18:2,
24:24, 33:15,
34:6, 40:2, 41:13,
41:14, 41:17,
45:22, 46:15,
99:17
incentives 50:15
incident 46:16
include 16:3, 37:1,
70:21, 70:24, 71:1
included 19:4,
20:22, 21:24,
22:23, 33:23,
34:8, 34:15, 44:6,
44:8, 50:3, 51:17

includes 37:14, 38:1, 70:2, 70:10, 70:22, 71:5, 91:5 Including 8:6, 33:3, 42:20, 61:8, 70:8, 70:19, 70:20, 70:21, 80:18, 81:13, 84:8, 85:4, 90:5, 90:6, 91:4, 91:13 inconsistent 73:10, 73:13, 73:14, 75:20, 76:13, 96:14, 101:2, 101:8 incorporate 19:1 incorporated 10:25, 40:12, 40:22 incorporating 18:15 incorporation 12:12, 12:13, 13:6, 13:13 incorrect 16:15, 16:25, 26:24, 45:19 incur 37:12 incurred 25:21 independent 15:9, 25:7, 39:24, 41:25 indicated 97:10 indicates 50:2 indication 19:5, 49:22 indirectly 36:21 inequity 40:9 inference 41:24 inferences 43:19 inform 58:3 Information 20:24, 21:10, 21:13, 21:18, 22:23, 41:21, 43:3, 44:13, 49:17 informed 84:25, 98:17 injunction 52:19, 53:10, 64:25, 65:23, 69:7, 78:2, 78:14, 80:6, 87:7, 92:13, 99:19, 99:22, 99:24,	102:21 Injunctive 79:18, 94:17, 99:16 injury 65:23, 93:14, 99:11 injustice 40:8, 50:18 inquiries 12:1 inquiry 47:8 insofar 99:11 instance 62:7, 62:14, 90:17 Instead 12:4, 14:20, 28:16, 45:20, 81:20, 97:5 insufficient 12:9, 46:17 insuperfluity 71:7 intending 37:24 intent 12:17, 46:24, 47:13 intentional 30:15 interaction 73:17 interest 7:17, 8:13, 39:22, 64:23, 77:20, 78:15, 92:12, 101:13 interest. 99:25 interested 9:1 interfere 98:5 interference 63:21 internal 83:6 interposed 79:13 interpret 71:1, 81:14 interpretation 34:17, 63:21, 69:10, 73:15, 75:5, 79:13, 101:15 interpretations 33:11 interpreted 59:2, 73:23, 90:3, 91:16, 93:25 interpreting 98:4, 101:18 interprets 98:21 interrupt 8:16, 8:17, 8:20	intimidation 37:10 invaded 101:13, 102:1 invalid 20:6, 20:7 invalidating 35:3 invalidation 22:14 investigation 12:2, 13:8, 13:15, 20:11, 20:13, 20:18, 21:11, 23:17, 23:25, 32:5, 32:8, 32:10, 40:24, 40:25, 42:4 investigations 21:7, 23:22, 24:13, 32:4 invited 25:3 invocation 77:7 invoke 61:23, 70:6 invoked 58:15, 86:8, 98:15 invoking 62:4, 93:5 involve 73:3, 88:3 involved 79:15 involves 72:24, 79:16 involving 32:12, 40:20, 64:23 Iraq 26:17, 32:13, 50:19 Iraqi 32:7, 36:20, 47:19, 50:10, 50:12, 50:17 irreparable 65:22, 78:2, 78:5, 78:10, 93:14, 99:22, 100:3, 100:12, 102:2 IRS 10:25, 12:5, 13:15, 42:13, 42:18 Issuance 64:23, 78:13, 94:16 issued 8:5, 23:19, 32:10, 32:11, 41:5, 97:18, 97:25 issues 8:13, 9:21, 23:7, 23:9, 25:4, 25:6, 72:6, 98:7 issuing 86:10 Item 9:13, 53:9,
--	---	--

70:23, 81:17
items 98:17
itself 13:10, 16:3,
22:24, 36:1, 38:1,
50:2, 67:22,
82:10, 84:21
IV 25:25, 53:9,
99:23

< J >

J. 4:33
job 56:6
Joint 56:11
Jointly 1:11, 1:28
Jorge 5:11, 53:16,
87:24
Juan 7:1
Judge 4:22, 4:23,
4:24, 4:25, 7:9,
7:10, 53:4, 53:6,
102:12, 104:7,
104:8
judgment 9:14,
13:10, 13:22,
15:14, 18:11,
20:14, 20:21,
21:2, 21:22,
22:20, 23:5, 24:2,
25:7, 26:20,
27:20, 29:13,
45:9, 46:8
judicial 8:4, 23:16
Judith 4:24, 7:10,
102:12, 104:8
jump 30:10
juncture 83:11
Junta 33:16
juridical 16:2,
16:13, 18:16,
18:22, 18:25,
31:8, 31:14,
31:15, 31:16,
31:18, 31:19,
33:2, 33:4, 33:7,
35:12, 40:12, 47:3
jurisdiction 14:11,
95:22
Justice 45:12, 45:18
justifying 40:9

< K >

KAPLAN 5:7, 9:16,
9:17, 23:9, 24:19,
24:21, 24:23,
24:25, 25:1,
27:13, 29:3,
29:15, 29:25,
47:25, 48:2, 49:1,
52:17
keep 9:2, 57:18,
93:17, 103:5
keeping 9:3
KELSO 5:8, 9:16,
9:18, 9:19, 10:6,
10:7, 10:9, 10:11,
16:20, 16:23,
17:8, 17:9, 17:12,
17:16, 21:16,
23:12, 23:13,
23:24, 24:20,
29:25, 44:21,
45:15, 46:4,
46:12, 47:11,
52:10, 52:15
kept 63:25
key 83:14, 100:1
kickbacks 36:23
killing 65:9
kind 12:25
kindly 52:23
knowledge 23:16,
23:22, 49:19,
67:17
known 20:17, 63:10,
76:1
knows 73:12

< L >

L. 5:7
label 61:17
labeled 61:17
lack 69:15
lacked 83:6
lacks 86:22, 95:7
laid 99:16
land 22:1
language 14:17,

14:25, 66:1, 89:6,
90:1, 100:22
Larceny 30:21,
34:14, 35:7,
36:16, 37:4, 37:6,
37:12, 37:16,
37:18, 37:22,
37:23, 38:1, 38:3,
38:16, 38:24,
39:3, 50:7, 50:22
Lares 51:7
largest 59:13
last 16:19, 16:22,
19:8, 19:11,
19:25, 23:6,
54:12, 57:3,
62:14, 66:11, 77:8
late 10:25, 65:7
Later 18:19, 35:13,
47:7, 81:25
latter 34:7
Laura 4:22, 7:9,
104:7
Laws 58:6, 86:4
Layhill 77:14
lays 69:14
least 29:5, 32:8,
62:18, 98:23
leave 89:8, 98:25
leaves 74:14
leaving 51:13
left 65:17, 65:22
legal 11:3, 11:23,
21:4, 25:11, 26:3,
33:20, 34:8,
34:15, 39:24,
40:6, 40:12,
41:25, 42:9,
46:13, 54:4,
57:10, 86:24,
87:1, 89:5, 99:15
legally 15:9, 20:9,
20:15, 22:22,
37:10, 45:4
legislation 90:20
legislative 23:16,
40:11, 54:12,
55:11, 55:14,
57:17, 67:2,
70:25, 71:2, 77:8,

77:23, 93:6, 93:7,
101:9
legislator 83:23
legitimate 12:12,
13:14, 64:7
length 11:19
less 9:9, 56:4,
59:16, 62:19
lesser 29:11, 70:3
letter 12:5, 41:10,
41:18, 42:13,
57:22, 57:24,
81:23, 81:24,
85:1, 85:22,
85:25, 86:3,
86:15, 97:4
level 79:17
Lexus 33:17, 34:10
liabilities 12:8,
41:16, 42:19,
42:22
liability 9:20,
9:22, 10:14,
11:23, 12:11,
12:17, 17:14,
30:16, 42:10,
42:15
liberated 18:7
liens 13:19
lift 40:5
light 58:2, 62:8,
62:10, 94:14
likelihood 69:6,
99:20, 100:3,
101:24
likely 102:5
limit 42:9
limitations 74:9
limited 8:6, 11:23,
21:8, 26:8, 27:13,
70:23
limiting 12:11
limits 81:13
line 7:23, 47:8,
93:8
lines 86:13
link 91:14
Lisa 53:6
list 14:4
listed 8:11, 14:8,

15:3, 40:16
listened 95:12
lists 37:13
literally 78:11
litigate 99:1
litigation 21:11
little 82:12
live 91:19
lived 28:4
lobby 61:21, 92:1,
96:8
lobbying 61:20
lobbyists 91:25,
92:1, 92:2
loggerheads 83:2
long 10:25, 91:8
longer 43:16
look 49:25, 71:11,
73:19
looked 36:13, 36:14
looking 57:21
looks 15:1
loophole 33:12,
34:18, 72:10
Lorenzo 77:13
lose 77:15
Lottery 18:13, 18:17
Luciano 5:11, 53:14,
53:15, 53:16,
53:24, 54:3,
66:22, 67:24,
68:2, 87:16,
87:19, 87:20,
87:23, 87:24,
88:2, 92:21, 94:3,
94:6

< M >
ma'am 44:8
Magistrate 4:24,
7:10, 102:12,
104:8
main 11:21, 63:23
maintains 60:16,
90:15
major 90:10
majority 62:15,
96:1, 96:5
maker 64:16

manage 61:8
Management 1:10,
1:27, 2:23, 3:6,
3:23, 7:13, 41:22,
58:9, 95:3, 95:6,
96:20, 102:11
mandated 67:14
manner 77:22, 98:5
March 65:7, 85:3,
85:12
Margaret 4:37, 29:19
market 11:19
Marrero 57:23
Martin 4:33
Martinez 5:11,
53:14, 53:15,
53:16, 53:24,
54:3, 66:22,
67:24, 68:2,
87:16, 87:20,
87:23, 87:24,
88:2, 92:21, 94:3,
94:5
match 38:17
material 46:7
materially 98:23
matters 79:3
mean 31:17, 37:22,
37:25, 50:13,
50:20, 59:14,
70:22, 71:24,
72:13
meaning 70:22,
73:20, 78:18,
79:12, 90:4
meaningful 71:20
meaningless 38:21,
38:22, 72:7
meaninglessness 71:8
means 38:23, 63:22,
74:10, 78:22,
80:24, 81:16,
81:20, 90:2, 102:3
meant 19:6, 70:22,
72:1, 90:8
mechanism 62:25,
67:6, 74:22, 75:8,
75:12
meet 26:23, 52:12
member 72:19, 94:24,

96:7
members 7:17, 8:7,
58:19
memo 28:13
Mendez 5:11
mention 21:7, 28:8,
56:19, 58:10,
68:3, 84:21
mentioned 31:24,
61:12, 66:25,
67:7, 90:10
mentions 12:1, 61:2
merely 20:13, 63:25,
67:16, 67:17,
89:4, 91:13,
92:22, 93:5
merger 21:24, 22:2
merits 69:7, 99:20,
101:24, 102:6
Messrs 9:16, 29:25
Mexico 43:4
Michael 4:36, 5:8,
9:19, 44:21
million 36:19, 37:5,
43:6, 50:16, 56:7,
58:7, 61:20,
72:20, 90:23, 91:7
mind 60:11
minimal 79:15
minimize 42:18
minimum 25:7, 43:22,
74:7, 74:10, 87:2
ministerial 58:5,
92:15
minute 73:5
minutes 9:4, 9:8,
9:15, 29:17,
29:23, 30:1, 30:2,
30:5, 44:20,
49:13, 52:22,
52:24, 52:25,
53:13, 53:19,
53:22, 53:23,
68:11, 79:22,
87:15
misappropriated
50:20
misappropriation
37:14, 37:19,
37:20, 38:17,

39:1, 39:3, 39:6,
39:7, 47:21, 50:8,
50:10, 50:23
misdemeanor 37:18
misdemeanor. 37:12
misrepresented 23:15
misses 88:8
mistake 49:23
mistaken 45:20
Mobile 12:18
mockery 61:25
modalities 37:21,
39:4
modalities. 37:15
modality 37:19
modest 79:14
modified 75:17
modifier 19:4
modifies 70:8
moment 34:7, 34:13,
70:5, 77:19,
77:24, 94:12
money 25:14, 47:19,
50:11, 50:12,
50:21, 51:3, 52:3,
55:20, 69:18,
78:4, 78:7, 78:8,
88:22, 88:23,
88:24, 90:19,
90:24, 90:25, 91:1
monies 92:8
Montanez 4:5, 52:19,
53:10, 53:17,
94:18
months 24:7, 41:4,
43:2, 55:12, 56:4
morning 7:16, 8:14,
9:18, 24:23,
24:25, 29:18,
29:21, 30:11,
44:21, 48:2, 53:4,
53:15, 68:22,
102:16
Motion 21:2, 25:5,
26:11, 33:10,
44:7, 52:9, 52:20,
53:10, 80:5,
82:10, 87:8,
94:15, 94:21,
95:1, 95:13,

102:9, 102:21
Motion" 94:20
motions 7:19
motivated 13:14,
76:22
motivating 76:21
motives 71:12
movant 53:12, 99:20,
99:21
move 36:3
multiple 18:25
Mungovan 4:38,
79:21, 79:24,
79:25, 80:3,
80:21, 80:25,
81:11, 82:10,
85:7, 85:10,
85:16, 85:24,
87:10, 87:12
Municipal 40:2
Municipality 34:9,
51:6, 51:11
Municipio 33:16
mute 7:23, 7:25
muted 68:15
myself 87:24

< N >
nail 59:5
name 8:10, 31:11,
40:18, 41:16,
41:20, 47:5, 53:15
namely 100:2
names 60:8
Natural 18:16,
18:25, 60:13,
76:20
nature 79:1
NCAA 77:12
nearly 24:8
necessarily 18:6,
37:24, 72:14,
77:2, 81:18, 84:10
necessary 9:12,
10:20, 91:1
need 8:1, 9:10,
24:21, 61:19,
65:16, 68:12,
74:7, 78:1, 78:25,

102:15
needs 63:4
neither 89:9, 98:23
neutral 76:18, 77:4
newly 73:13
next 24:8, 52:18,
55:4, 57:3, 71:13,
71:14, 92:19,
102:20
Ng 53:5, 53:6,
68:15, 68:17,
68:21, 69:3
nice 36:22
night 73:3
nine 26:25
No. 1:6, 1:23, 2:5,
2:22, 3:5, 3:22,
4:5, 7:12, 7:20,
7:21, 8:23, 8:24,
10:18, 15:18,
52:20, 53:11,
54:9, 75:23,
85:10, 94:19,
94:20, 97:7,
98:20, 99:6,
102:22
nomo 33:16
non-substantive
95:14
non-u 12:7
nondisclosure 20:10,
21:13, 21:18
None 6:5, 6:11,
13:5, 21:3
Nonetheless 16:15,
16:24, 45:10,
45:16
nor 26:15, 29:9,
98:23
note 17:19, 18:10,
50:1, 62:18
Nothing 20:6, 23:2,
59:7, 60:7, 60:18,
63:24, 64:15,
69:21, 69:24,
70:10
notice 42:7
notified 17:20,
96:24, 98:13
noting 86:10

notwithstanding
42:22, 55:19, 81:3
novation 17:11
November 30:21,
32:8, 36:15, 62:21
null 43:21, 51:11
nullification 27:2,
49:2, 52:4
nullify 9:23, 10:3,
10:11, 22:9
Number 49:19, 49:21
numbers 41:23
numerous 37:21,
54:22, 55:9, 69:9
Nunez 22:12

< O >
o'clock 9:12
oasis 58:22
oath 58:5
object 73:11, 80:15
objected 59:24
objecting 73:12
objective 12:11
obligated 74:5
obligation 40:8,
73:18
obligations 18:7,
41:9
obligor 18:8
observes 11:15
obtain 26:13, 50:10,
50:18, 50:21
obtained 50:22
obtaining 25:16
obvious 12:10
Obviously 20:5,
32:9, 49:23, 67:2,
70:18, 71:11,
74:20
occupation 18:5
occur 35:18, 35:20,
57:5, 96:25, 98:11
October 40:23
odds 14:25, 57:2
offense 14:24, 15:1,
37:18, 38:15,
38:16, 38:24,
47:15

offenses 14:5, 15:3
Office 11:2, 11:9,
12:2, 17:4, 58:5,
58:9, 65:16, 79:2,
96:20
officer 100:24
officers 11:16
Official 104:15
officials 43:4,
50:10
Oil 12:18, 25:17,
26:17, 32:7,
36:21, 47:20,
50:11, 50:18
Okay 54:2, 85:10,
93:1
old 48:5, 48:11,
48:14, 48:20,
48:22, 49:7
Omar 57:23
OMB 86:3, 97:3
OMB")] 96:20
Omnibus 4:21, 7:15,
7:18, 91:6, 102:19
Once 56:13, 65:20,
67:13, 71:4, 74:12
one. 49:20
ongoing 13:15, 103:2
open 33:12, 65:17
opening 10:24,
14:16, 15:8,
17:19, 18:10,
19:14, 36:24,
47:22
operate 34:25
operated 11:8
operating 11:4,
54:23
operation 7:22, 11:9
operations 11:6,
41:7
operative 37:8, 45:4
opinion 76:1
opportunity 8:12,
45:8, 46:9, 75:25
opposition 57:16,
63:24
option 60:6
oral 7:19, 9:13,
30:11, 52:19,

53:9, 95:13,
102:13
orally 17:22, 94:14
Order 10:15, 53:21,
71:13, 74:24,
94:16, 94:22,
94:25, 102:10
orderly 7:22
orders 8:4
ordinary 75:7
organizing 30:8
original 98:8
originally 17:3
orphan 65:10
otherwise 28:10,
47:3, 51:13, 72:1,
81:2, 81:4, 84:19
outset 19:21, 80:4
outside 13:25, 14:1,
14:20, 15:6,
15:14, 23:25,
28:12, 57:9,
58:11, 58:20,
64:4, 65:15, 76:2,
81:22
overall 20:4
override 77:19
overriding 77:20
overseas 13:18
overview 30:9
own 9:3, 9:24,
11:10, 11:15,
11:16, 11:17,
21:20, 25:22,
47:19, 56:17,
62:25, 64:17,
65:10, 72:19
owned 30:20, 40:22,
41:7, 41:14,
41:17, 43:13
ownership 39:22,
44:15, 44:16,
45:1, 45:19,
45:21, 46:3, 46:16
owns 44:25

< P >
PAGE 6:3, 12:14,
12:18, 12:21,

13:1, 14:16,
17:19, 18:9,
21:21, 22:12,
26:11, 34:10,
40:4, 44:18,
46:25, 49:3, 57:2
pages 10:23, 15:8,
19:14, 21:1,
26:25, 33:10,
72:11, 104:4
paid 25:14, 36:20,
47:19, 50:21,
51:4, 60:5, 91:25,
94:24, 96:7
paper 11:5
papers 26:6, 44:6,
49:18, 69:19,
71:24, 74:1, 86:21
paragraph 25:23,
41:4, 44:16, 45:2,
45:6, 57:3
parent 21:10, 35:22,
35:25, 42:12,
42:17, 43:18,
46:15, 65:9
parents 32:23, 32:24
part 10:25, 11:22,
28:9, 54:21,
59:12, 70:8,
72:17, 72:22,
72:23, 72:24,
84:13, 85:24
participant 8:22
participation 79:3,
79:4
particular 24:1,
25:12, 55:10, 76:3
particularly 22:7,
32:17, 39:10,
42:15, 70:3,
76:10, 79:18
particulars 102:7
PARTIES 4:30, 7:17,
7:23, 8:7, 8:13,
23:6, 25:3, 30:22,
50:2, 99:23
Party 20:12, 22:17,
96:4, 96:5
passed 73:13, 77:3,
77:7, 77:22

passive 39:21
past 52:25, 71:19,
73:7
patience 94:10,
94:13
Paul 4:35
pay 61:20
payments 17:23,
26:9, 27:8, 27:14
pays 11:16
PDF 44:18
Pedro 4:12, 60:21,
61:10, 96:9
Penal 36:16, 37:7,
37:22, 38:4,
38:18, 39:2, 39:11
penalties 38:10
penalty 26:4, 26:8,
27:5, 27:6, 27:14,
28:6, 28:7, 48:9,
48:14, 48:17,
48:19, 48:22,
78:19
people 50:12, 50:17,
55:17, 59:8,
59:21, 60:5, 60:7,
60:8, 60:10,
62:11, 64:24,
91:20, 91:22,
91:25, 96:1, 96:16
per 38:3, 54:25,
55:24, 57:16,
58:12
percipient 13:12
perfection 18:4
performed 9:23,
17:6, 17:25
perhaps 27:9, 36:13,
49:24
period 34:1, 94:10
perjury 78:20
permissible 77:5
permit 70:4, 74:19
permits 82:7
permitted 8:6, 20:9,
20:16, 22:22,
75:22, 96:17
person 8:6, 16:2,
16:11, 16:13,
18:14, 18:16,

18:22, 18:25,
19:3, 19:4, 31:14,
31:15, 31:18,
31:19, 33:2, 33:5,
33:7, 34:8, 35:12,
37:3, 37:9, 39:20,
47:3, 88:24
personal 37:10
personalities 39:23
persons 31:8, 33:20,
34:15
perspective 81:13,
82:23, 83:2
pertains 55:10
Peter 4:42, 69:4
ph 13:10, 46:15
phone 8:1, 8:2,
24:21, 68:13,
68:14
phones 7:23
PHV 4:33, 4:34,
4:35, 4:36, 4:37,
4:38, 4:42, 5:7,
5:8
PI 74:24
Pierluisi 4:12,
53:11, 60:21,
61:10
Pierluisi-urrutia
96:10
pity 65:9, 65:10
place 22:15, 50:22
plain 70:21, 70:24,
90:1, 100:21
plaintiffs 69:16,
73:22, 78:6
Plan 10:25, 55:3,
61:22, 64:20,
64:21, 73:7,
73:11, 73:14,
81:19, 83:8,
83:10, 85:12,
96:15, 98:24,
101:2, 101:8
plate 63:7
played. 9:7, 27:12,
29:1, 42:1, 43:9,
47:10, 48:25,
51:2, 52:6, 67:23,
92:20, 94:2

Plea 15:10, 32:4,
36:12, 36:18,
42:5, 47:17,
47:18, 50:15
pleaded 28:9
pleadings 62:19,
95:11
Please 7:5, 7:25,
8:10, 8:16, 8:22,
16:18, 16:21,
21:15, 29:23,
68:1, 68:14, 79:25
pleases 53:20
Plebiscite 59:20,
59:25, 60:2, 60:4,
60:17, 61:5,
61:14, 62:17,
62:22, 62:23,
63:7, 63:9, 65:4,
71:12, 71:14,
90:7, 90:16,
90:21, 91:8, 91:9,
91:12, 92:7,
95:25, 96:1
plebiscites 60:19,
70:17, 71:19, 90:8
pled 37:2
plenty 53:25
PM 103:6
point 12:24, 21:20,
26:14, 28:3,
28:18, 29:7,
46:22, 48:3,
51:15, 59:1, 77:6,
80:20, 86:5, 92:14
point. 12:20, 26:6,
52:14, 77:16, 79:9
pointed 69:15, 69:20
points 46:20, 48:15,
76:17, 80:5
policies 8:4
policy 34:18, 39:18,
40:9, 51:4
political 59:9,
59:15, 60:17,
61:1, 61:18, 62:4,
62:12, 63:22,
71:10, 79:16,
80:8, 80:10,
81:15, 82:16,

83:6, 83:13, 84:6,
90:16, 91:18,
91:22, 91:24,
92:3, 92:21, 93:5,
97:11, 98:7
politically 92:17,
92:18
politicians 78:24
pondered 56:5
position 18:6,
56:22, 57:15,
63:11, 80:7,
82:15, 88:15
positions 65:16
positive 101:10
possibility 91:14
possible 54:6,
64:23, 67:19,
81:10, 97:6
Possinger 4:35
post 17:6
postdated 42:16
postponed 79:8
potential 12:8
potentially 97:14
Power 1:33, 66:19,
70:2, 70:3, 75:19,
75:21, 76:8, 81:1,
88:21, 99:2,
100:5, 100:7,
100:20, 101:10
powerful 74:3, 79:1
powers 72:13, 73:5,
74:19, 76:25,
81:13
practice 44:7, 73:7
preceded 13:8
precedent 92:13
preceding 23:25
predicate 84:11
preempted 58:12,
58:16, 81:5
Preemption 58:14,
70:10, 75:7,
75:16, 75:17,
89:12, 93:20,
93:21
preemptive 70:9
preempts 95:4
prefer 36:3

preliminarily 80:22	8:15, 8:18, 53:3,	50:1, 50:4
Preliminary 25:2,	59:19, 103:6,	Proskauer 29:19
52:19, 53:10,	104:6	protect 12:6
69:7, 78:2, 78:14,	proceeds 27:16	protecting 40:9
80:5, 94:17,	process 55:24,	protection 42:21
99:19, 102:21	58:10, 62:2,	prove 12:16, 74:7,
premise 27:16	66:20, 83:3,	74:25
PREPA'S 20:18	85:19, 94:1	proved 32:17
prepared 54:24,	produced 5:48	provide 8:12, 49:2,
89:16	profit 29:10, 29:12,	62:6, 74:13,
preparing 103:1	29:13	82:12, 93:23, 96:6
prerogative 99:9	programming 81:4	provided 20:23,
prescription 66:19	Progressive 96:4	22:24, 27:11,
present 7:9, 60:22,	prohibit 20:12, 72:5	66:7, 66:16, 67:6,
89:20	prohibited 34:9,	83:8, 98:3, 100:25
presented 23:1	34:15	provides 50:25,
presents 20:13	prohibition 19:12	51:1, 55:14,
presided 60:13	prohibitions 14:12	56:15, 60:9, 62:3,
President 83:15,	prohibitive 101:9	62:7, 62:16,
97:13	prohibits 101:19	62:25, 65:18,
presidential 72:20	projections 67:22	66:23, 68:5,
presiding 7:9	promote 22:14	71:18, 88:18
press 7:17, 8:7	promoting 40:7,	provision 16:9,
presumed 22:13	55:18	28:8, 48:18,
pretrial 102:11	promptly 52:11	48:21, 56:18,
pretty 58:21, 64:6	prongs 69:11	56:19, 59:1,
prevail 48:10, 102:6	proof 23:3	63:13, 66:9, 81:19
prevent 40:13, 101:4	proper 26:21, 57:18,	provisions 20:22,
previous 55:13	64:18	21:3, 28:22,
previously 64:11	properly 65:7, 78:17	48:10, 48:11,
prices 11:19	property 37:4, 37:5,	48:12, 49:8, 81:4
Prime 8:25	37:11, 38:2,	prudence 71:25
principal 12:13	38:25, 39:1,	Public 7:17, 8:7,
principles 99:15	47:16, 47:23	8:25, 16:12,
prior 85:25	proposal 14:24	27:24, 32:12,
private 51:14	propose 69:9	34:18, 39:18,
privileged 95:10	proposed 11:25,	40:8, 50:18, 51:4,
probably 59:14,	57:5, 61:13,	51:9, 51:11,
61:23	65:20, 66:13,	51:13, 64:23,
problem 90:18	73:16, 73:17,	65:16, 77:20,
Procedure 90:20,	83:16, 85:11,	78:15, 78:24,
92:8, 95:18	97:16, 97:20,	79:3, 79:7, 90:7,
proceed 52:24, 80:1	97:21, 97:22,	90:11, 92:11,
Proceeding 7:20,	97:23, 98:10	96:24, 99:25
52:20, 53:11,	proposing 93:7,	publicized 78:21
55:11, 55:23,	93:16	publicly 28:13,
59:14, 93:1, 93:2,	propriety 102:7	62:19
94:20, 102:22	prosecution 43:8,	pull 81:6
Proceedings 5:48,	44:3, 44:11,	punch 75:15
7:24, 8:10, 8:14,	44:17, 49:17,	punished 8:8

purchased 36:21
purported 26:3,
27:1, 69:9
purports 88:12
purpose 13:4, 22:1,
22:25, 31:22,
34:18, 40:18,
47:2, 47:6
purposes 12:6,
13:14, 14:10,
15:13, 33:4, 92:16
pursuant 56:9,
80:18, 85:12,
85:17, 92:10,
95:17, 95:22
purview 61:24, 63:12
put 22:20, 23:3,
32:2, 36:8, 45:5,
57:13, 62:13,
65:1, 93:10

< Q >

qualifies 27:6
Quebradillas 51:6
question 10:17,
10:18, 13:24,
14:1, 14:6, 14:9,
15:16, 15:18,
19:22, 20:14,
23:6, 23:11, 35:6,
44:1, 54:5, 66:1,
71:9, 71:23,
100:1, 100:3,
100:4
questioning 101:15
questions 8:20,
10:14, 23:10,
32:14, 65:24,
70:13, 79:11,
81:12, 87:11,
87:13, 95:1
quickly 65:12
quiet 94:11
quite 37:15, 57:7,
74:3, 85:7
quote 11:22, 12:7,
12:16, 12:21,
14:10, 14:22,
14:23, 16:11,

21:24, 22:13,
25:13, 26:9,
33:19, 33:23,
34:10, 37:3, 40:3,
40:7, 40:10,
40:19, 43:12,
45:21, 47:5, 47:9,
51:10
quoted 44:15
Quoting 34:4, 40:14,
61:3

< R >

radically 77:10
Rafael 4:5, 5:11,
53:17, 94:18
raise 64:22
raised 10:15, 64:5,
83:16, 83:23
ran 55:14
Rather 14:23, 27:13
ratification 17:24
Re 1:6, 1:23, 7:12
reached 45:11, 45:17
read 18:15, 40:3,
69:8, 75:16
Reading 40:14, 51:5,
71:4, 72:4, 76:20,
90:1
readjust 54:11,
61:19, 63:24
readjusted 55:2,
56:7
readjustment 54:17,
54:21, 57:11,
57:12, 60:1,
67:10, 93:11
Readjustments 54:15,
56:19, 67:6, 88:13
ready 52:24, 53:5,
53:9
real 38:12, 69:15
reallocate 98:16
really 32:22, 36:25,
39:17, 39:24,
71:6, 72:9, 72:25,
73:18, 73:21,
73:24, 74:14,
75:21, 76:18

reason 12:12, 12:13,
24:3, 70:25,
78:16, 100:13
reasonable 79:14
reasonably 73:1
reasoning 76:22
reasons 12:10, 15:9,
36:1
reassigning 63:19
reassignment 88:10,
89:2
retribution 50:16
rebuttal 29:23,
53:20, 54:1, 70:20
receive 17:23
received 9:25, 24:6,
24:11, 32:9, 46:5,
52:10, 73:9, 90:12
receives 67:8
recent 49:21
recently 43:14
recess 53:2
recites 36:18
recognize 84:9
recognizing 40:6,
98:1
reconnect 52:24
reconvened. 53:3
record 8:11, 11:24,
13:5, 46:8, 46:9,
80:10, 82:17,
93:6, 93:7
recorded 5:48
recording 8:5
recover 51:12
reduced 48:16
refer 30:13, 77:8,
95:25, 96:5
reference 18:20,
38:20, 44:23,
45:25, 46:18,
81:1, 89:10
referencing 57:24
referendum 65:5
referred 78:16,
102:11
referring 24:2,
33:21, 58:1, 58:3,
67:2, 91:12, 91:13
refers 37:21, 67:2

reflect 42:14
reflected 31:8
refrained 102:8
refuse 75:10
refuses 93:7
regard 26:9, 27:14,
66:13, 81:5
regarding 61:1,
61:2, 87:17,
89:23, 98:7, 102:6
regards 89:11
reimbursement 26:4,
26:8, 26:9, 26:13,
27:6, 27:8, 27:13,
28:6, 28:7, 31:3
reiterated 88:19
reject 77:2
relate 37:22, 71:9,
72:22, 72:25,
84:18, 98:6
related 19:7, 26:16,
41:8, 61:17,
84:17, 88:13
relates 51:23, 71:22
relating 51:25
relationship 35:14,
35:16, 42:3
release 17:14
released 28:13,
91:11
relegated 59:16
relevant 18:9, 20:8,
93:20, 95:11
relied 24:9, 89:24
Relief 25:10, 25:12,
28:5, 28:9, 29:11,
79:18, 94:17,
99:16
relies 16:1
relieved 58:23
remain 98:8
remainder 17:6,
17:25, 87:11
remaining 9:5
remains 59:18
remanded 55:3
remarks 25:2
remedies 28:16,
48:5, 51:17,
51:19, 51:21, 52:4

remedy 23:9, 25:6,
28:1, 28:19,
28:24, 38:11,
48:4, 49:5, 50:24,
52:2
remind 8:3, 83:4
remove 57:11, 75:14
removing 42:23
render 90:13
rendered 60:12
renders 43:20, 71:5
reorganization 11:1,
11:3, 11:9, 12:6
reorganize 41:13
reorganized 59:13
repaired 65:23
repeal 28:21, 48:4,
76:24
repealed 49:8
repeat 16:18, 16:22
repeatedly 13:2,
18:24
repetitive 77:6
reply 10:24, 11:21,
12:14, 12:19,
12:21, 13:1,
14:17, 14:22,
16:14, 16:24,
18:12, 22:13,
26:22, 26:25,
29:11, 44:9,
44:12, 44:14,
45:11, 45:17,
48:7, 49:17,
60:12, 92:15
report 32:10, 32:11,
60:12, 60:20,
90:13
Reporter 16:17,
16:18, 31:21,
104:15
repossession 25:13,
26:2, 49:7
represent 40:15,
53:16, 60:9
Representative 1:13,
1:30, 7:14, 29:20,
60:14, 60:23,
100:11
Representatives

53:18, 56:11,
94:19, 98:12
represents 98:21
reprogram 54:6,
80:13, 80:16,
82:2, 86:1, 86:19,
86:23, 99:2
reprogrammed 84:24,
85:21, 86:3
reprogrammings 55:8,
101:6
Request 54:19,
55:21, 56:2, 56:3,
64:25, 66:3, 67:8,
67:13, 83:20,
84:19, 84:20,
85:17, 85:25,
90:22, 94:15,
96:22, 97:3, 98:13
requested 21:19,
54:21, 55:2, 65:7,
67:10
requests 55:9, 66:9,
68:5, 83:25, 90:22
require 13:10, 21:4,
43:23
required 20:24,
21:9, 21:23,
26:19, 27:22,
54:18, 58:8,
67:14, 97:20,
98:19
requirement 14:8,
26:12, 42:6,
47:13, 66:9
requires 14:18,
46:24, 47:23,
66:12
rescinded 27:10,
30:24, 32:21
rescission 16:9,
16:10, 27:5, 42:5,
51:1
research 39:9
reserve 29:22
reserves 95:13
Resident 60:20, 63:3
Resolution 25:5,
56:1, 56:9, 56:11,
56:25, 57:3,

57:25, 58:3,
58:18, 64:1, 72:2,
84:11, 84:15,
84:17, 84:21,
84:23, 85:20,
86:11, 87:18,
88:2, 94:25,
97:19, 98:1
resolve 25:11,
56:21, 56:24,
57:2, 84:10, 88:15
resolved 80:11,
87:1, 89:8
resolves 15:15, 49:8
resolving 23:8
resort 89:7
Resources 60:13
respect 26:2, 26:14,
42:2, 46:21,
69:12, 74:21,
78:11, 87:3
Respectfully 25:5,
81:14, 84:13, 85:7
respects 76:4
respond 15:12,
18:10, 96:18
responded 41:4,
69:10, 89:23
response 21:22,
26:15, 45:7,
73:22, 75:18
response. 94:8,
102:17
responses 30:10
responsibilities
60:10, 74:21
responsibility
69:20, 71:25,
74:23
responsible 36:19,
72:6, 77:5
rest 70:15
restitution 29:8,
50:14, 52:1
restrain 75:22
Restraining 74:24,
94:16
Restrict 72:13,
80:9, 81:14,
82:15, 84:5,

91:16, 91:17,
97:10
restricted 92:4
restricting 83:12
restriction 68:4,
92:5
Restrictions 54:8,
54:15, 57:12, 74:9
restructure 89:14
restructures 40:20
restructuring 11:22,
12:1, 35:19,
35:20, 41:6, 42:9,
42:19, 42:23,
57:13
result 42:5, 45:20,
62:17, 63:1
results 62:22, 63:9
retains 76:5
retransmission 8:5
retroactively 9:22
return 25:13, 36:11,
44:1, 44:19, 51:3,
52:3, 87:14
returning 53:23
returns 11:17
review 101:21
reviewed 95:11
reviewing 83:25
revised 57:5, 85:4,
97:16, 97:20,
97:22, 97:24,
98:11
revising 84:18
revision 98:9
revoke 76:25
Rican 76:12
rights 18:4, 48:9,
48:24, 49:2, 59:8,
83:12, 91:17,
92:5, 93:1
rigors 57:12
rim 88:8
risk 12:6
Rodriguez 5:12,
53:14, 53:18
Roland 17:18
role 20:14, 54:13,
55:7, 65:19,
66:24, 83:24,

93:9, 93:10,
93:11, 93:12,
99:13
roll 64:12
rope 84:3
Rose 29:19
Rosen 4:34, 18:13
Rowland 18:2
rule 8:8, 8:20,
59:11, 62:7,
74:13, 89:25,
90:2, 95:9
Rules 20:19, 20:20,
89:23, 95:17,
95:18
ruling 94:9, 94:14,
95:13, 95:15,
95:16
rulings 42:18
run 101:18
running 90:19

< S >
S. 4:34
S/ 104:13
SA 9:20, 19:17,
24:24, 36:18,
41:13, 41:15,
41:17, 44:24,
45:21
SA. 36:22
safe 103:5
salary 60:5
Sales 12:19, 12:23,
12:24, 13:2, 40:1,
40:2, 40:10,
40:14, 46:21,
46:23, 47:1, 47:12
Salsde 13:10
Salud 51:7
San 7:1
sanctioned 48:9,
48:22
sanctioning 40:7
sanctions 8:8
Santisteban 34:1,
34:6
SARL 35:22, 43:18,
45:1

satisfy 26:12
save 7:10
saying 12:5, 31:14,
49:25, 57:8,
66:10, 73:23,
80:25, 81:3
says 27:18, 28:14,
29:4, 41:15,
41:18, 47:3,
48:13, 48:20,
50:15, 51:10,
54:18, 54:19,
58:2, 60:15,
61:21, 63:2, 66:5,
68:6, 69:25,
71:24, 72:12,
75:23, 78:3, 89:7,
89:12, 90:2, 90:6
scenarios 81:10
schedule 97:14
scheduled 52:22,
79:6, 102:20
scheme 30:15, 62:16
scope 13:25, 14:1,
14:20, 15:7,
15:14, 23:25,
31:1, 35:7, 36:12,
47:14, 57:9, 61:2,
61:16, 63:12,
70:20, 74:4, 84:14
seat 61:10
Second 7:18, 10:5,
10:12, 10:17,
13:24, 15:19,
16:6, 18:12,
19:24, 25:18,
26:1, 27:6, 27:7,
30:18, 35:5,
51:19, 51:25,
64:5, 69:11,
72:17, 72:24,
75:18, 78:11,
80:6, 84:12
secondly 70:14
sections 18:25,
37:21, 73:17,
79:12
seeing 53:24, 66:8
seek 9:22, 25:10,
27:8, 51:1

seeking 22:17,
42:21, 55:24,
72:2, 83:22
seeks 10:3, 10:11,
28:16, 28:25,
94:21, 94:24
seem 66:18, 81:10
seems 57:7, 57:16,
58:21, 65:8,
66:12, 84:12,
86:25
seen 74:18, 93:3
sees 76:9
select 7:25, 55:15,
60:5
self-determination
96:16
self-submitted 64:2
sell 25:16
sells 35:21, 42:11
Senate 83:15, 97:13
senators 83:15
sense 89:18
sensitivity 94:14
sentence 18:18,
18:21, 27:7, 29:2
separate 11:3, 11:4,
11:5, 11:10, 15:9,
31:15, 36:5, 43:16
separated 31:12
separately 82:22
sequence 29:24
serious 22:8, 22:19
serves 101:4
serving 62:15
session 7:8, 77:8
sessions 77:23
set 10:23, 12:15,
14:12, 15:10,
24:15, 28:21,
53:19, 65:3, 84:2,
91:7, 92:13, 97:1
sets 14:4, 68:3
setting 20:24
several 56:17
severity 48:17
shall 14:13, 37:11,
37:12, 50:16,
55:5, 59:7, 66:5,
66:6, 67:1, 91:16,

100:23
shares 35:22, 42:11,
42:12, 42:20
sharply 69:12, 79:17
short 41:15, 54:9,
94:10
shorthand 18:20
shots 77:13
shouldn't 50:21,
73:23
show 15:23, 22:19,
28:10, 66:21,
69:17, 78:2,
100:16, 101:12,
101:24, 102:2,
102:5
showing 12:19
shown 30:15, 35:1
shows 40:11
shy 73:12
side 28:10
sign 41:2
signed 17:22, 24:8
significant 22:16,
42:21
significantly 73:10,
73:14, 85:5, 96:14
similar 56:18,
58:21, 72:3
simple 54:6
simply 27:7, 28:8,
33:13, 34:23,
40:17, 47:5,
57:11, 61:18,
62:4, 69:10,
77:21, 84:24,
85:21, 88:16,
92:14, 93:15, 95:9
single 54:16, 58:13,
59:1
sister 35:16, 35:25
sites 91:3
situating 20:3
situation 32:12,
32:18, 69:23
six 9:23, 15:22,
22:21, 24:5,
25:14, 30:14,
31:5, 60:5, 94:24,
96:7

Six. 84:1
sixth 35:18, 42:15,
43:21, 50:6, 59:22
skip 89:20, 89:21
skipping 33:3
Slow 10:8, 16:19,
21:15, 45:13,
45:14
slowly 16:21
social 22:16
sole 40:18, 47:6,
75:9, 97:19
solely 57:17
Solutions 8:1, 52:23
someone 47:16,
63:20, 94:7
sometimes 30:13,
35:25
somewhere 78:9
sophisticated 22:11
Sorry 16:17, 19:25,
21:16, 31:20,
31:21, 45:24,
49:15, 53:25,
54:1, 66:14,
73:16, 87:20,
87:25, 94:7
sort 29:10, 35:15
sought 28:19, 49:6
Sound 9:6, 9:7,
27:12, 29:1, 42:1,
43:9, 47:10,
48:25, 51:2, 52:6,
67:23, 92:20, 94:2
Speaker 8:9, 9:2,
9:4, 53:17, 69:17,
82:20, 82:25,
83:22, 84:13,
86:20, 94:18,
97:13, 98:25
speakers 8:11
speaking 7:24,
53:21, 60:15,
82:20, 82:22
special 20:20,
55:11, 55:15,
56:22, 58:8, 60:4,
62:20, 88:6,
94:23, 96:6,
96:23, 96:25,

98:2, 98:19
specialized 16:1,
19:1
specially 18:23
specific 8:14,
12:16, 12:17,
13:3, 14:4, 14:22,
15:6, 20:22,
20:24, 22:1,
22:20, 25:10,
28:19, 28:22,
38:14, 46:24,
47:13, 60:6, 62:1,
65:19, 68:3, 85:8
specifically 18:22,
24:11, 39:6,
60:18, 67:14,
78:6, 85:13, 86:8,
89:6
specified 9:11,
15:21, 21:23,
55:18
speech 60:25
spend 72:20, 73:6,
76:13, 78:8,
88:22, 88:23,
88:24
spending 69:18,
73:2, 75:22
spent 78:7
spiny 88:17
splendid 103:3
split 92:19, 92:21
spoken 8:12
sponsored 61:5,
61:15
sports 77:15
squarely 30:25,
38:19
Stability 95:3
staff 41:21, 102:25
stage 79:18
stall 72:1
stand 26:6
Standard 12:16,
26:24, 99:16,
102:23
standards 93:23
standing 26:6
start 30:9, 44:23

started 55:23, 73:21
State 37:1, 45:21,
56:8, 61:6, 70:4,
71:17, 74:15,
74:17, 74:25,
89:10, 89:15,
93:2, 96:3, 96:21,
96:24
stated 14:15, 81:23,
82:11, 85:22,
86:2, 89:3, 89:5,
98:3
statehood 55:18,
60:9, 61:21, 63:1,
63:3, 71:20,
91:23, 92:1, 96:8
statement 16:19,
16:22, 24:2, 24:4,
24:6, 24:9, 24:12,
24:15, 25:23,
28:14, 41:3,
44:17, 44:24,
45:2, 45:7, 45:10,
45:16, 45:19,
45:23, 46:7,
46:10, 71:12, 72:7
statements 12:4,
50:3
States 1:1, 4:23,
4:25, 7:7, 7:11,
14:10, 14:11,
14:12, 22:13,
23:17, 31:7, 34:3,
37:3, 37:9, 55:5,
71:15, 85:25,
91:9, 96:3,
100:22, 104:7,
104:8
status-related 72:6
status. 91:18
statute 14:9, 18:15,
18:19, 19:1, 20:8,
27:17, 31:9,
32:25, 37:7,
38:11, 39:5,
39:11, 54:18,
59:7, 69:8, 70:22,
72:22, 73:13,
76:19, 77:3, 77:7,
77:21, 79:15,

82:19, 83:7, 90:1,
92:16, 101:18
statutes 62:8, 73:19
statutorily 16:13
statutory 16:2,
19:1, 26:12, 40:8,
58:15, 59:11,
66:9, 69:9, 71:7,
89:23, 89:25, 95:9
Stay 72:19, 74:11,
74:12, 94:11,
103:5
stealing 47:16
steals 37:4
stenography 5:48
step 58:20, 71:13,
76:2, 82:14, 84:2
stipulated 33:20
stock 43:17, 45:5
stop 69:18
stopping 65:1, 65:3
straight 31:25,
54:4, 59:7
street 41:22
strived 80:7
struck 84:7
structure 13:17,
13:20, 32:3
Subastas 33:16
subject 27:5, 87:4
subjected 12:7
subjective 61:17,
62:13, 63:20,
71:21
submission 45:20,
52:9, 66:4, 81:24
submissions 52:13,
86:17
submit 25:5, 54:18,
67:15, 85:5
submits 66:2, 67:9,
67:11
submitted 24:4,
56:2, 56:3, 56:9,
56:10, 57:21,
78:15, 78:19,
83:19, 85:2,
96:11, 96:21,
97:16, 97:22
subparagraph 66:5

subpoenas 23:19,
32:9, 41:5
Subsection 54:17,
55:4, 66:23,
66:24, 66:25,
67:9, 67:15
subsequent 17:22,
18:1, 97:9
subsidiaries 16:4,
19:16, 32:23,
33:5, 33:13, 33:22
subsidiary 19:17,
30:20, 32:18,
33:18, 33:25,
34:6, 34:13,
34:20, 34:21,
34:24, 34:25,
35:3, 35:14,
35:24, 39:16,
40:16, 40:23,
41:8, 41:15,
41:17, 42:24,
46:16, 47:4
substance 10:22,
26:7
substantial 11:7,
11:10
substantive 94:25
substituting 25:21
subterfuge 47:9
succeed 100:8
success 69:6, 99:20,
100:3, 101:24
sudden 81:7
suffer 99:22,
100:12, 102:2
suffered 10:1,
93:14, 100:18
suffers 65:22, 99:11
sufficient 22:9
suggested 89:4
suggesting 93:4
suggests 26:23
suing 30:16
suite 72:20
summarize 79:11
summary 9:14, 13:10,
15:14, 18:11,
20:14, 20:21,
21:2, 21:22,

22:19, 23:5, 24:2,
25:7, 26:20,
27:20, 29:12,
45:9, 46:8
summer 54:12, 62:24
superfluous 71:5
supersedes 75:7
supervise 101:17
supervision 101:21
Supp 18:3
supplement 46:9,
52:11, 89:11
supplementary 89:10
suppliers 25:21
supply 9:23, 12:2,
13:7, 19:23,
20:22, 22:21
support 11:24,
91:23, 93:6, 103:3
supported 13:11
supports 47:13
Suppose 72:16, 73:4
supposed 71:24, 77:4
Supreme 36:17,
39:25, 51:5
Surcharges 36:20,
36:22
surprised 48:20
Susman 9:19, 44:22
sustained 25:22
Swain 4:22, 7:9,
53:4, 104:7
swiftly 61:9
sworn 24:1, 24:4,
24:6, 24:9, 24:14,
78:18
system 92:24, 93:22
systems 92:24

< T >
table 61:11
Tacoronte 7:5
taken. 53:2
talked 74:1
talks 47:7, 51:8
tax 11:17, 13:16,
42:19
Taylor 4:22, 7:9,
104:7

team 41:22
technicalities 40:14
Technologies 99:17
telephone 41:23
telephonic 7:22,
102:23
TELEPHONICALLY 4:30
tells 89:13
Temporary 74:24,
94:16
ten 26:25, 52:24,
53:23, 87:14
ten-minute 52:21
tenders 34:9, 47:12
tense 33:9
term 16:2, 16:13,
18:22, 18:23,
18:24, 55:14, 61:6
terms 9:24, 18:17,
18:18, 18:19,
18:20, 19:2,
21:24, 50:24,
76:8, 101:4
territorial 58:17,
100:24
territories 14:11
testimony 13:12
Tetley 18:7
text 14:9, 33:1
textual 19:5
thanks 94:3
theory 25:12, 26:3
thereafter 84:2,
98:15
Thereby 35:23,
42:23, 50:11
therein 98:16
thereof. 33:5
thereto 51:19, 52:5
They've 49:8, 50:20,
69:20
Third 15:16, 19:22,
30:25, 49:17,
52:1, 69:11,
78:11, 80:11
though 9:24, 20:15,
90:6
thoughts 94:11
three 15:9, 17:19,
18:10, 21:6, 32:2,

77:25, 80:4,
81:10, 81:12
threshold 26:5,
100:1
tight 84:3
timeline 32:2
timing 40:19
Timothy 4:38, 79:25
tips 69:12
Title 1:8, 1:25
titled 54:14
Titles 74:9
Today 7:19, 7:22,
9:11, 30:17,
86:17, 95:12,
103:2
Todd 46:15
together 78:15,
97:6, 102:16
took 11:7, 64:3
tort 12:17
torts 12:18
total 23:3, 43:6
touch 32:14, 39:19,
48:15
towards 18:7
track 9:2, 9:3
Tractor 33:15,
33:25, 34:5
traders 41:21
trading 11:1, 11:8,
11:10, 41:19
transaction 35:15
transactions 47:20
transacts 11:18
Transcript 5:48,
8:18, 95:14, 104:4
transcription 104:5
transfer 41:3, 45:6
transferred 13:3,
41:9, 42:17, 44:25
transfers 41:6
transitioning 96:4
translation 47:1,
48:23
transparently 42:14
treatment 42:22
trial 43:23
tried 62:20
trigger 38:9

TRO 80:5
true 22:7, 62:23,
72:7, 78:4, 104:5
truthful 24:14
try 30:10, 32:1,
41:1, 59:5, 74:25,
81:11
trying 40:1, 44:10,
80:23, 88:21,
88:23
turn 24:19, 57:24,
59:4, 81:18,
81:25, 88:16,
92:14
turned 59:4
Turning 39:14,
82:10, 99:15
turns 69:8, 92:22
twice 91:10
type 14:17, 29:8

< U >
ultimate 64:16,
76:6, 100:5
ultimately 64:7,
82:5
UN 40:24
unable 48:4, 56:16,
59:1, 64:10,
100:10
uncontested 15:13,
18:11
uncontroverted
10:23, 11:20
undefined 18:14,
18:17, 18:18, 60:9
underlying 15:10,
26:16, 54:5
understand 70:12,
75:5, 76:11,
80:23, 81:11
understanding 13:16
understood 31:11
underway 23:22
undisputed 29:12,
32:5, 45:5, 45:8,
46:8
undisputedly 32:18
unfettered 76:7

UNIIC 32:10
 unilateral 25:13,
 26:2, 49:7, 76:12
 unilaterally 86:12,
 86:22
 unimportant 59:16
 United 1:1, 4:23,
 4:25, 7:7, 7:11,
 14:12, 23:17,
 31:7, 34:3, 71:15,
 91:9, 96:3, 104:6,
 104:8
 unless 23:10, 55:6,
 66:7, 66:16,
 79:10, 87:10
 unlikely 100:8
 unmute 8:2, 24:21,
 49:14, 68:12,
 68:14
 unmuted 68:17
 unopposed 59:25
 unqualified 18:20
 unrelated 13:14
 unresolved 56:22
 unsealed 43:5, 44:2,
 44:3, 44:5, 44:13,
 49:18
 unspecified 55:17
 unsworn 78:17
 until 9:12, 44:25,
 55:22, 65:7,
 65:14, 100:25
 unusual 83:3
 urgently 61:9
 urging 97:3
 Urrutia 4:12, 53:11,
 60:21
 uses 18:24, 70:18,
 70:21
 using 38:8
 usual 8:19, 90:4
 Utah 60:14
 utterly 59:1

 < V >
 v. 2:11, 2:28, 3:11,
 3:28, 4:10, 9:14,
 53:10, 99:17
 vacancies 65:16

vacant 79:2
 valid 74:6
 validly 77:21
 value 37:5
 valued 41:10
 various 40:19
 veil 40:6
 verb 33:9, 91:16
 versus 33:16, 40:2,
 51:6
 veto 75:19, 88:21
 view 32:21, 76:17,
 76:21
 views 60:25
 VIII 10:12, 19:24
 VIN 23:15, 23:22,
 31:6, 31:8, 31:10,
 31:14, 31:15,
 31:20, 31:21,
 41:12
 violated 30:13, 31:6
 violation 15:24,
 20:5, 23:23,
 51:18, 100:9,
 100:17, 100:18,
 102:3
 Violations 8:8
 violence 37:10
 vitiates 102:1
 void 19:23, 31:2,
 43:21, 51:12
 vote 67:3, 91:24,
 91:25
 voted 56:12, 96:2,
 98:12
 voters 63:6
 VS 31:20

 < W >
 wait 73:5
 waive 87:11
 walked 20:25, 84:3
 Walker 104:13,
 104:14
 wanted 63:15, 76:17,
 77:1, 82:12, 91:5
 wants 88:24
 warranted 48:19
 warrantees 21:23,

21:25
 Washington 55:18,
 72:18, 73:2, 96:7
 weave 30:10
 week 72:18
 Weeks 42:10
 weight 22:16
 welcome 7:16
 well-known 55:20,
 71:1
 whatever 52:10,
 88:10
 whole 15:15, 74:22,
 75:21, 76:11
 wholeheartedly 72:4
 wholly 30:20, 40:22,
 41:7, 41:14,
 41:17, 74:17
 whomever 49:22
 win 69:16
 wins 63:3
 wire 27:23
 wise 93:22
 wish 40:15, 68:2,
 94:7
 wished 98:25
 wishes 76:2
 withdrawn 25:24,
 28:20
 withheld 99:22
 withholding 38:2,
 99:24
 within 14:7, 20:4,
 30:25, 33:19,
 34:15, 35:7,
 36:12, 36:23,
 37:16, 38:19,
 47:20, 50:3, 54:6,
 61:24, 63:12,
 63:19, 67:4, 83:7,
 90:4, 92:8
 without 28:15,
 37:10, 38:25,
 54:8, 65:6, 89:5,
 93:11, 98:9
 WITNESSES 6:3, 13:13
 word 36:22, 66:11,
 70:19, 70:20,
 70:21, 71:1, 71:5,
 90:5, 91:13

words 33:3, 67:1,
71:2, 82:18, 90:3,
90:4, 101:9
work 16:7, 66:20,
78:22, 91:3, 97:6,
101:17, 103:1
worked 78:22
works 69:20
world 38:12
worse 72:8
worth 20:3
write 86:12
writes 41:10
writing 17:5, 17:21
wrongful 38:1
wrote 28:12, 97:2,
97:12

< Y >

year 24:8, 40:23,
54:24
years 26:17, 40:24,
92:19
yes-or-no 61:5
Yesterday 10:15,
25:2, 30:7, 46:6,
103:2
York 12:1, 13:7,
13:15, 14:6, 14:7,
14:20, 15:10,
23:18, 32:6,
36:17, 38:4, 41:5,
103:1
yourself 8:10, 24:21

< Z >

zero 11:24